

TEXAS TRANSPORTATION COMMISSION

VARIOUS County

MINUTE ORDER

Page 1 of 1

District VARIOUS

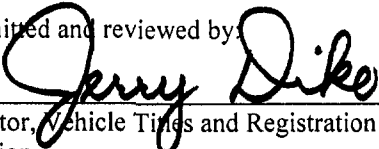
The Texas Transportation Commission (commission) finds it necessary to propose new §17.29, to be codified under Title 43, Texas Administrative Code, Part I, concerning vehicle registration renewal via the internet.

The proposed new section and the preamble to the new section, attached to this minute order as Exhibits A and B respectively, are incorporated by reference as though set forth at length verbatim in this minute order.

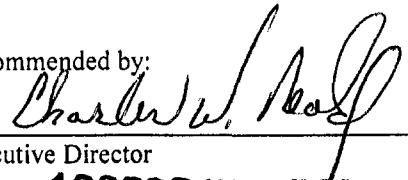
IT IS THEREFORE ORDERED by the commission that new §17.29 is proposed for adoption and is authorized for publication in the Texas Register for the purpose of receiving public comments.

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

Submitted and reviewed by:

  
Director, Vehicle Titles and Registration  
Division

Recommended by:

  
Executive Director

**108206 MAY 25 00**

Minute  
Number

Date  
Passed

1 SUBCHAPTER B. MOTOR VEHICLE REGISTRATION

2 §17.29. Vehicle Registration Renewal via the Internet.

3 (a) Development of internet registration renewal system.

4 The department will develop and maintain a uniform internet  
5 registration renewal process. This process will provide for the  
6 renewal of vehicle registrations via the internet and will be in  
7 addition to vehicle registration procedures provided for in  
8 §17.22(d) of this subchapter. The internet registration renewal  
9 system will be facilitated by a third-party vendor.

10 (b) Selection of counties for participation.

11 (1) Pilot program. Before the system is implemented  
12 statewide, the director may begin implementation in a limited  
13 number of counties for the purpose of testing and adjusting the  
14 system's performance.

15 (A) After receiving necessary approval from the  
16 commissioners court of a county, a county tax assessor-collector  
17 who wishes to participate in the pilot program may request  
18 approval from the director.

19 (B) The director will choose no more than 15 counties to  
20 participate in the pilot program. Counties will be selected on  
21 the basis of:

22 (i) whether the county is actively developing internet  
23 registration renewal processing;

24 (ii) whether the county is adjacent to a county

1 described in clause (i) of this subparagraph; and

2 (iii) ability and willingness to work flexibly with  
3 the department and the third-party vendor in implementing and  
4 adjusting the pilot program on a trial basis.

5 (2) Statewide program. The director will determine when  
6 the program is sufficiently developed for statewide  
7 implementation. All counties participating in the pilot program  
8 will automatically be a part of the statewide program, provided  
9 ongoing program requirements are met.

10 (A) After receiving necessary approval from the  
11 commissioners court of a county, a county tax assessor-collector  
12 may request approval from the director to participate in the  
13 statewide program.

14 (B) The director will approve participation in the  
15 statewide program on the basis of:

16 (i) the ability of the program to accommodate an  
17 additional county at a particular time; and

18 (ii) the ability of the county to meet the  
19 requirements of the statewide program.

20 (c) Eligibility of individuals for participation. To be  
21 eligible to renew a vehicle's registration via the internet, a  
22 vehicle owner must meet the following criteria.

23 (1) The vehicle owner must meet all criteria for  
24 registration renewal outlined in this section, in §17.22 of this

1 subchapter, and in Transportation Code, Chapter 502.

2 (2) The vehicle owner must be a resident of a  
3 participating county.

4 (3) The vehicle must have current registration and that  
5 registration must expire no more than 90 days after the date on  
6 which the application for registration renewal is submitted. In  
7 calculating the expiration date of the current registration, the  
8 5-working-day grace period established by Transportation Code,  
9 §502.407, will not be considered.

10 (d) Fees. A vehicle owner who renews registration via the  
11 Internet must pay:

12 (1) registration fees prescribed by law;

13 (2) any local fees or other fees prescribed by law and  
14 collected in conjunction with registering a vehicle;

15 (3) a fee of \$1.00 for the processing of a registration  
16 renewal by mail in accordance with Transportation Code,  
17 §502.101(a);

18 (4) a fee of \$1.00 for the processing of an electronic  
19 registration renewal in accordance with Transportation Code,  
20 §502.101(b); and

21 (5) a fee of \$1.00 for the processing of a credit card  
22 payment in accordance with §5.43 of this title (relating to  
23 Methods of Payment), and Transportation Code, §201.208.

24 (e) Information to be submitted by vehicle owner. A vehicle

1 owner who renews registration via the internet must submit or  
2 verify the following information:

3 (1) registrant information, including the vehicle owner's  
4 name and county of residence;

5 (2) vehicle information, including the license plate  
6 number of the vehicle to be registered;

7 (3) insurance information, including the name of the  
8 insurance company, the name of insurance company's agent (if  
9 applicable), the telephone number of the insurance company or  
10 agent (local or toll free number serviced Monday through Friday  
11 8:00 a.m. to 5:00 p.m.), the insurance policy number, and a  
12 representation that the policy meets all applicable legal  
13 standards;

14 (4) credit card information, including the type of credit  
15 card, the name appearing on the credit card, the credit card  
16 number, and the expiration date; and

17 (5) other information prescribed by rule or statute.

18 (f) Duties of participating counties. A participating  
19 county tax assessor-collector shall:

20 (1) accept electronic payment for vehicle registration  
21 renewal via the internet;

22 (2) execute a contract with the department and a third-  
23 party vendor, as provided by the director;

24 (3) process qualified internet registration renewal

1 transactions as submitted by the third-party vendor;

2 (4) meet all technical requirements established by the  
3 department for participation in the internet registration renewal  
4 system;

5 (5) communicate with the third-party vendor and applicants  
6 via email, regular mail, or other means, as specified by the  
7 director;

8 (6) promptly mail renewal registration validation stickers  
9 and license plates to applicants;

10 (7) ensure that all requirements for registration renewal  
11 are met, including all requirements set forth in this section, in  
12 §17.22 of this subchapter, and in Transportation Code, Chapter  
13 502; and

14 (8) reject applications that do not meet all requirements  
15 set forth in this section, in §17.22 of this subchapter, or in  
16 Transportation Code, Chapter 502.

17 This agency hereby certifies that the proposal has been  
18 reviewed by legal counsel and found to be within the agency's  
19 legal authority to adopt.

20 Filed with the Office of the Secretary of State on May 26,  
21 2000.

22  
23  
24  
25  
26  
27

---

Richard D. Monroe  
General Counsel  
Texas Department of Transportation

1 Proposed Preamble

2 The Texas Department of Transportation proposes new §17.29,  
3 concerning vehicle registration renewal via the internet.

4

5 EXPLANATION OF PROPOSED NEW SECTION

6 In accordance with the state's E-Government initiative, the  
7 department is developing a process for registered vehicle owners  
8 to renew their vehicle registrations via the internet. This  
9 process will be accomplished through communication and  
10 interaction between participating counties, a third-party vendor  
11 selected by the department to facilitate the program, and the  
12 customer. New §17.29 is added to provide the basic framework  
13 within which the new program will operate.

14

15 Subsection (a) establishes that the department will develop and  
16 maintain an internet registration renewal system. A third-party  
17 vendor will assist in this effort. This provision ensures  
18 uniformity and discourages each county from setting up its own  
19 system.

20

21 Subsection (b) is added to establish eligibility requirements for  
22 counties to participate in the program.

23

24 Subsection (b)(1) provides that the department may begin with a

1 pilot program to ensure that the system is fully functional  
2 before it is implemented throughout the state. The pilot project  
3 will involve up to fifteen counties, which will be chosen based  
4 on whether a county is currently active in processing internet  
5 registration renewals, whether a county is adjacent to an active  
6 internet county, and whether a county is willing and able  
7 implement the system. The goal is to ensure enough usage for a  
8 representative test, while also achieving a customer base with  
9 common work areas and media outlets.

10 Subsection (b)(2) addresses the later implementation of the  
11 system on a statewide basis. New counties will be added at their  
12 request and upon approval by the department. It is recognized  
13 that the system may not be implemented statewide at one time, but  
14 that a phased introduction may be necessitated by practical  
15 constraints. Moreover, participating counties may need to meet  
16 technical requirements, including hardware and an internet  
17 service provider.

18  
19 Subsection (c) is added to establish the eligibility requirements  
20 that vehicle owners and their vehicles must meet to be able to  
21 renew vehicle registration via the internet. Specifically, the  
22 vehicle owner must be a resident of a county that is  
23 participating in the internet registration program, the vehicle



1 must have current registration and be within 90 days prior to  
2 expiration (not including the 5-working-day grace period), and  
3 the vehicle record must meet all other requirements for  
4 registration renewal. These requirements will ensure that the  
5 vehicle owner is eligible for registration renewal and permit  
6 more efficient administration of the system.

7  
8 Subsection (d) is added to establish the fees that must be paid  
9 by the registrant when renewing vehicle registration via the  
10 internet. The fee for mailing new registration insignia to the  
11 customer will be the same as if the registration were renewed by  
12 regular mail because the administrative burden on the counties is  
13 essentially the same. The fees for processing a registration  
14 renewal electronically and for processing a credit card payment  
15 are designed to cover the costs to the department of operating  
16 the internet registration renewal system. Remaining registration  
17 fees and local fees will be the same as with any other  
18 registration renewal. It is anticipated the \$2 additional fee  
19 will recover costs of the system.

20  
21 Subsection (e) is added to establish the information that a  
22 registrant must provide or verify to renew vehicle registration  
23 via the internet. In addition to information ordinarily provided  
24 in the course of vehicle registration renewal, more information

1 is necessary to verify the registrant's identity and the identity  
2 of the vehicle, to ensure compliance with insurance requirements,  
3 and to permit electronic payment of registration fees.

4  
5 Subsection (f) is added to establish the duties of participating  
6 counties in the processing of vehicle registration renewals via  
7 the internet. As in the case of all registration renewals,  
8 counties must ensure that all legal requirements have been met  
9 and must reject applications that fail to meet those  
10 requirements. These include items that are incorporated in the  
11 new section, such as insurance and address information, as well  
12 as items contained elsewhere in the rules and relevant statutes,  
13 such as emissions compliance and notations on the department's  
14 records for stolen vehicles, scofflaws, traffic warrants, and  
15 legal restraints. Internet registration renewal is intended to  
16 provide a system that will be more convenient for both customers  
17 and counties, not to permit the renewal of registrations that  
18 would not be renewed under the current system.

19  
20 Subsection (f) also places some additional duties on the  
21 counties. Counties must be willing and able to accept electronic  
22 payments for the system to work, and they must promptly mail  
23 registration and validation stickers to customers. Counties must  
24 also be able to: process qualified renewals that are received

1 from the third-party vendor; meet technical requirements for  
2 participation in the system, including hardware and an internet  
3 service provider and communicate with the third-party vendor and  
4 with customers in the manner specified by the department, which  
5 may involve the sending and receipt of email. Adherence to these  
6 standards will enable the system to function efficiently and  
7 ensure against inconsistency in the system's operation throughout  
8 the state.

9

10 FISCAL NOTE

11 James Bass, Director, Finance Division, has determined that for  
12 each year of the first five-year period the new section is in  
13 effect, there will be fiscal implications to state government as  
14 a result of enforcing or administering the proposed section. The  
15 effect on state government will be an estimated additional cost  
16 of approximately \$137,500 for the year 2000, for hiring and  
17 compensating a project manager to prepare technical documents  
18 (such as a project plan, feasibility study, and Request For  
19 Offers) and to supervise the project, for hiring and compensating  
20 a third-party vendor to develop and maintain the vehicle  
21 registration web page and necessary links, and for transaction  
22 costs. The cost of the internet registration renewal system will  
23 be paid from the \$2.00 fee paid by the customer (\$1.00 for the  
24 electronic off-premises registration and \$1.00 for payment by

1 credit card).

2

3 Jerry L. Dike, Director, Vehicle Titles and Registration

4 Division, has certified that there will be no significant impact

5 on local economies or overall employment as a result of enforcing

6 or administering the proposed new section.

7

8 PUBLIC BENEFIT

9 Mr. Dike has also determined that for each year of the first five

10 years the section is in effect, the public benefit anticipated as

11 a result of enforcing or administering the new section will be

12 increased convenience to customers in renewing vehicle

13 registrations and decreased traffic in county tax assessor-

14 collector offices.

15

16 SUBMITTAL OF COMMENTS

17 Written comments on the proposed section may be submitted to

18 Jerry L. Dike, Director, Vehicle Titles and Registration

19 Division, 125 East 11th Street Austin, Texas, 78701-2483. The

20 deadline for receipt of written comments is 5:00 p.m. July 10,

21 2000.

22

23 STATUTORY AUTHORITY

24 The new section is proposed under Transportation Code, §201.101,

1 which provides the Texas Transportation Commission with the  
2 authority to establish rules for the conduct of the work of the  
3 Texas Department of Transportation; under Transportation Code,  
4 §502.009, which directs the department to adopt rules to  
5 administer Chapter 502, relating to the registration of vehicles;  
6 under Transportation Code, §502.101, which authorizes the  
7 department to adopt rules governing the timely application for  
8 and issuance of registration receipts and insignia by mail or  
9 through an electronic off-premises location; and under  
10 Transportation Code, §502.180(e), which grants the department  
11 authority to adopt rules governing the issuance of registration  
12 insignia.

13

14 No statutes, articles, or codes are affected by the proposed new  
15 section.