



GOVERNOR GREG ABBOTT

To: Charles Bacarisse, Chair
Daniel Avitia, Executive Director
Laura Moriaty, General Counsel
Texas Department of Motor Vehicles

From: Caleb Gunnels, Assistant General Counsel
Office of the Governor

Date: September 16, 2025

Subject: Proposed Title 43 Texas Administrative Code Sections 220.23, 220.26, and 220.30
(RCD Rule Review #2025-004)

I. Syllabus

On July 10, 2025, the Texas Department of Motor Vehicles (“Department”) proposed new rules within 43 Texas Administrative Code Chapter 220, that are intended to implement Senate Bill 2807, as passed by the 89th Legislature, Regular Session, which generally creates a regulatory framework for the operation of automated motor vehicles in Texas.¹ Section 12(a)(1) of Senate Bill 2807 requires the Department to adopt rules implementing the regulatory framework for automated motor vehicles by December 1, 2025.

Among the proposed new rules, the Department submitted 43 TAC §§ 220.23, 220.26, and 220.30 to the Regulatory Compliance Division (“Division”) for review on July 25, 2025.² The proposed new rules generally create an application process for Department authorization for the operation of automated motor vehicles in furtherance of a commercial enterprise on highways and streets in the State and establish requirements for authorization holders to update the Department of material changes in the original documentation or information submitted to obtain authorization. On August 14, 2025, the Department submitted supplemented language to the Division to clarify and simplify proposed rule language.³ The Division invited public comments on the proposed rules for a 30-day period ending on September 1, 2025, and received no comments.

¹ 50 Tex. Reg. 4386 (2025) (to be codified at 43 TAC §§ 220.1, 220.3, 220.20, 220.23, 220.26, 220.28, 220.30, and 220.50) (proposed July 10, 2025); Acts 2025, 89th Leg., R.S., ch. 1034 (S.B. 2807), Sec. 1, eff. September 1, 2025.

² Rule Submission Memorandum from the Texas Department of Motor Vehicles (July 25, 2025) (on file with the Regulatory Compliance Division of the Office of the Governor).

³ Supplemental Language for Proposed 43 TAC §§ 220.23, 220.26, and 220.30 (RCD Rule Review #2025-004) (submitted Aug. 14, 2025) (on file with the Regulatory Compliance Division of the Office of the Governor).

Based on the following analysis, the Division has determined that the proposed new rules are consistent with state policy, and thus, the proposed new rules are approved by the Division and may be finally adopted and implemented.

II. Analysis

As noted, Senate Bill 2807, as passed by the 89th Legislature, Regular Session, generally establishes a legal framework for the regulation and operation of automated motor vehicles, including requiring operators to receive authorization from the Department before operating automated motor vehicles on highways or streets within the State. It also requires the Department to adopt rules necessary to administer these provisions by December 1, 2025.

In considering the regulatory framework and Department-issued authorization process for the operation of automated motor vehicles, the Department compared application requirements for other Department programs that require licensure, both to ensure consistency in the application process and to avoid requiring applicants to submit additional or unnecessary information.⁴ In its earliest phase, the Department submitted draft proposed rules for informal stakeholder comments, made changes based on informal feedback, and again, considered the proposed new rules in an open meeting on July 10, 2025, where the Department ultimately voted to publish the proposed rules for public comment in the *Texas Register*.⁵

Given that application requirements can create barriers to ongoing market participation in the State, the proposed new rules were submitted to the Division because they may affect competition pursuant to Section 57.105(d)(1), Occupations Code.

To begin, proposed new § 220.23 generally establishes application requirements for authorization to operate automated motor vehicles in the State. The proposed rule establishes the method by which an applicant must apply for authorization and also lists the information that must be submitted in the application, including contact information, details about the automated motor vehicle, and a written statement and certification as required by Section 545.456(b)(2) and (3), Transportation Code. The Department has broad authority to prescribe the form and manner by which a person must apply for authorization pursuant to Section 545.456(a), Transportation Code. And Section 545.456(b)(1)-(3), Transportation Code, generally requires the Department's rules to ensure applicants provide contact information, descriptive vehicle information, a written statement acknowledging that each automated motor vehicle complies with state and federal law, that the vehicle is registered and titled and covered by motor vehicle insurance, and a certification acknowledging that the Department of Public Safety has been provided with a plan that generally details how emergency responders and law enforcement may interact with the automated motor vehicle. This rule reasonably exercises the Department's authority to prescribe the application process to operate automated motor vehicles in the State, and as such, is consistent with state policy.

⁴ Rule Submission Memorandum from the Texas Department of Motor Vehicles (July 25, 2025), at 4.

⁵ *Id.*

Proposed new § 220.26 generally requires authorization holders to update any documents or information submitted to the Department under § 220.23, within 30 days of a material change or upon request. The rule details the method by which the Department may request updated information and how an authorization holder must submit such information. Lastly, the rule requires authorization holders, upon request, to provide updated information within five days of the request or explain the need for an extension of the five-day deadline. Section 545.456(e), Transportation Code, grants the Department broad authority to prescribe the form and manner by which an authorization holder must provide notice of any material change to the initial documentation and information submitted to the Department. And, Section 545.456(f), Transportation Code, authorizes the Department to immediately suspend or revoke an authorization if the holder fails to update such information within 30 days of a material change or upon request. Having generally followed statute, this rule is also a reasonable exercise of the Department's statutory authority and is consistent with state policy.

Lastly, proposed new § 220.30 requires an applicant or authorization holder or its authorized representative to sign the written statement and certification required to be submitted to the Department under Section 545.456, Transportation Code, as detailed in proposed new § 220.23. Again, Section 545.456(a), Transportation Code, grants the Department broad authority to prescribe the form and manner by which an applicant may receive an authorization to operate automated motor vehicles in the State. Considering that Section 322.007, Business and Commerce Code, treats electronic signatures as legally binding, requiring an applicant or an applicant's representative to attest to the information electronically submitted to the Department by signature presents a minimal burden to applicants. This too is a reasonable exercise of the Department's statutory authority and is consistent with state policy.

III. Determination

Based on the above analysis, the proposed new rules are approved by the Division and may proceed to final adoption and implementation.