

Statement of Reasons for the Second Modified Regulatory Text

Throughout the regulations, the words “revocation,” “revoke,” and “revoked,” have been replaced with “termination,” “terminate,” and “terminated.” While the department has used “revoke” and “terminated” interchangeably, these amendments will ensure consistency. The revisions are found in Sections 153.08, 153.12, 153.14, 153.16, 153.18, and 153.26.

- Section 153.04. Service Provider’s Permit Application.

Subsection (a)(1) is amended to update the revision date of the Service Provider Application, form REG 670, to 8/2026. The form has been changed to ensure the verbiage on the form matches the recently revised regulation. Specifically, the second page of the form under Section 6 (General), item 2, has been amended to specify the department “shall” terminate a Service Provider’s participation in the ELT program upon giving 30 days written notice. The authorizing regulation, Section 153.14.

- Section 153.08. Term of Service Provider’s Permit.

Subsection (a) is amended to remove the word “revoked” and replace with “terminated” for consistency.

- Section 153.10. Renewal of Service Provider’s Permit.

Subsection (c) is amended to remove the word “may” and replace with “will.” This amendment is necessary to make clear that, upon a service provider’s failure to renew its service provider permit at least 30 days prior to the expiration of the current permit, the department will require the provider to transfer its lienholders to the lienholder’s preferred replacement service provider. The amendment is necessary to make clear this process is not discretionary.

- Section 153.12. Refusal to Approve Application for Service Provider’s Permit or to Approve Renewal of Service Provider’s Permit.

Subsection (a)(4) is amended to remove the word “revocation” and replace with “termination” for consistency.

- Section 153.14. Termination of Service Provider’s Permit.

Subsection (a) is amended to remove the word “revoke” and replace with “terminate” for consistency.

Subsection (a)(4) is amended to remove the words “at least” for clarity. As currently written, a provider’s failure to respond within 30 days to at least two written communications or directives would result in the permit being terminated. Using the term “at least” creates a clarity issue. The department is correcting this deficiency by specifying that failure to respond to two written communications or directives in 30 days will result in the termination of a permit.

Subsection (b) is amended to remove the word “revokes” and replace with “terminates” for consistency.

Subsection (b)(1) is amended to remove the word “revocation” and replace with “termination” for consistency.

Subsection (d) is adopted to add clarification to when the termination would take effect. The department will terminate the Service Provider’s permit upon giving 30 days written notice of termination and the termination will be effective 30 days from the date on the notice of termination.

- Section 153.16. Demand for Hearing after Refusal to Approve or Renew or Termination of Service Provider’s Permit.

Subsection (a) is amended to remove the word “revocation” and replace with “termination” for consistency.

- Section 153. 18. Reinstatement of Service Provider’s Permit.

Subsection (a) is amended to remove the words “revoked” and “revocation” and replace with “terminated” and “termination,” respectively, for consistency.

- Section 153.22. Lienholder’s Permit Application.

Subsection (a)(1) is amended to update the revision date of the Lienholder Application, form REG 671, to 8/2026. The form has been changed to ensure the verbiage on the form matches the recently revised regulation. Specifically, the second page of the form under Section 6 (General), item 1, has been amended to specify the department “shall” terminate a Service Provider’s participation in the ELT program upon giving 30 days written notice. The authorizing regulation, Section 153.26.

- Section 153.26. Term of Lienholder’s Permit.

Subsection (a)(2) is amended to remove the word “revokes” and replace with “terminates” for consistency.

Subsection (a)(2)(A) is adopted to add clarification to when the termination would take effect. The department will terminate the Lienholder's permit upon giving 30 days written notice of termination and the termination will be effective 30 days from the date on the notice of termination.

Subsection (b) is amended to remove the word "revoke" and "revoked" and replace with "terminate" and "terminated," respectively, for consistency.

Subsection (b) is further amended to remove the words "or more" for clarity. As currently written, when a lienholder fails two or more times to respond within 30 days from the day of receipt of the communication or directive, the department will terminate the permit. Using the term "or more" creates a clarity issue. The department is correcting this deficiency by specifying that failure to respond to two times to written communications or directives will result in the termination of a permit.

Subsection (c) is amended to remove the word "revoked" and replace with "terminated" for consistency.