

**RULES  
OF  
THE TENNESSEE MOTOR VEHICLE COMMISSION**

**CHAPTER 0960-02  
AUTOMOTIVE DISMANTLERS AND RECYCLERS**

These regulations are applicable to all automotive dismantlers and recyclers engaged in the business of or providing facilities for the purpose of recovering parts from motor vehicles that have been wrecked or otherwise rendered inoperable as transportation vehicles with said parts recovered being for resale and further for the purpose of reducing said motor vehicles to a condition capable of salvage for their metal scrap content by scrap processors. These regulations are not applicable to persons engaged in the business of processing scrap metals.

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**0960-02-.01 SALES TAX IDENTIFICATION NUMBER.**

All automotive dismantlers and recyclers shall obtain and hold a current sales tax identification number indicating their business as that of an automotive dismantler and recycler. Upon expiration of a sales tax identification number, the licensee shall either cease business operations, or provide evidence of a valid sales tax identification number. The automotive dismantlers and recyclers' license shall be invalid during the period of time without a sales tax identification number.

**Authority:** T.C.A. §§ 55-17-107 and 55-17-111. **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979. Repeal and new rule filed August 20, 2008; effective November 3, 2008.

**0960-02-.02 CITY AND COUNTY BUSINESS LICENSE.**

All automotive dismantlers and recyclers shall obtain and hold a current city and county business license indicating their business as that of an automotive dismantler and recycler. Upon expiration of a business license, the licensee shall either cease business operations, or provide evidence of licensure. The automotive dismantlers and recyclers' license shall be invalid during the period of time without a business license.

**Authority:** T.C.A. §§ 55-17-107 and 55-17-111. **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979. Repeal and new rule filed August 20, 2008; effective November 3, 2008.

**0960-02-.03 LIABILITY INSURANCE.**

- (1) All automotive dismantlers and recyclers shall provide the Commission with a certificate or affidavit of garage liability or general liability insurance and automobile liability insurance in a minimum amount of coverage of two hundred fifty thousand dollars (\$250,000) to be submitted with each application for license.
- (2) The coverage must remain and continue in force for as long as the automotive dismantler or recycler remains licensed. Upon notice of cancellation, the licensee shall either cease

(Rule 0960-02-.03, continued)

business operations until proof of minimum coverage is provided, or provide evidence of minimum coverage from another provider.

- (3) The insurance provider is required to provide sixty (60) days notice to the Commission of cancellation of the required minimum liability insurance coverage.

**Authority:** T.C.A. § 55-17-107. **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979. Repeal and new rule filed August 20, 2008; effective November 3, 2008.

#### **0960-02-.04 WORKMEN'S COMPENSATION LAWS.**

All automotive dismantlers and recyclers shall comply with the applicable Workmen's Compensation Laws of the State of Tennessee.

**Authority:** T.C.A. § 55-17-107(a). **Administrative History:** Original rule filed February 5, 1979, effective May 28, 1979.

#### **0960-02-.05 PRIMARY BUSINESS ACTIVITY.**

All applicants for an automotive dismantlers or recyclers license shall provide a statement to the Commission that the applicant intends to be engaged primarily in the business of automotive dismantling or recycling.

**Authority:** T.C.A. §§ 55-17-107 and 55-17-111(a). **Administrative History:** Original rule filed February 5, 1979, effective May 28, 1979.

#### **0960-02-.06 INSPECTION OF BUSINESS RECORDS.**

- (1) All automotive dismantlers and recyclers shall make available for inspection during normal business hours by the Commission or their duly authorized representatives all books, records and other memorandums of all purchases and sales.
- (2) All records shall be kept on site or at a location where the records can be accessed in a reasonable amount of time. Records may be kept in written or electronic format.
- (3) All business records shall be kept for the period of time required by state or federal law or regulation.

**Authority:** T.C.A. § 55-17-107. **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979. Repeal and new rule filed August 20, 2008; effective November 3, 2008.

#### **0960-02-.07 ZONING, HIGHWAY BEAUTIFICATION AND STORM WATER RESTRICTIONS.**

- (1) All applicants for an automotive dismantlers and recyclers license shall file with their application a statement from the proper local authority that the location or proposed location of their business complies with all applicable local zoning requirements.
- (2) All applicants for an automotive dismantlers and recyclers license shall file with their application a statement from the Tennessee Department of Transportation, Highway Beautification Division that the location is not in conflict with statutory requirements.
- (3) All applicants for an automotive dismantlers and recyclers license shall file with their application a copy of the applicant's current NPDES (Storm Water Discharge) Permit from the Tennessee Department of Environment and Conservation, Division of Water Pollution Control.

(Rule 0960-02-.07, continued)

**Authority:** T.C.A. §§ 55-17-107 and 55-17-111. **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979. Repeal and new rule filed August 20, 2008; effective November 3, 2008.

#### **0960-02-.08 SIGNS.**

All automotive dismantlers and recyclers shall install signs at their established place of business identifying them as an automotive dismantler and recycler. Such sign shall consist of letters no less than eight (8) inches in height and shall not advertise any other business or product.

**Authority:** T.C.A. § 55-17-107(a). **Administrative History:** Original rule filed February 5, 1979, effective May 28, 1979.

#### **0960-02-.09 BUSINESS PREMISES.**

The following minimum requirements apply to all automotive dismantler and recycler facilities:

- (1) The facility must be physically separate and apart from any other businesses and shall not include any private residence, tent or temporary stand. The facility may be connected to another business facility provided there is a permanent wall from floor to ceiling between the two businesses and the automotive dismantler and recycler has a separate, outside entrance and exit. Any doors between the businesses shall be permanently sealed.
- (2) The facility shall contain adequate space for processing sales and purchases of motor vehicle parts. The facility shall also contain restroom accommodations.
- (3) The facility shall have a primary telephone number listed in the local directory under the name of the automotive dismantler and recycler. Mobile and/or cellular telephones are not acceptable as the primary business telephone. The primary phone number of the automotive dismantler and recycler shall be posted either on the door to the automotive dismantler and recycler, in a window of the automotive dismantler and recycler or on the automotive dismantler and recycler's sign. The facility shall also contain a minimum of three (3) parking spots dedicated for customer parking.

**Authority:** T.C.A. §§ 55-17-107 and 55-17-114. **Administrative History:** Original rule filed February 5, 1979; effective May 28, 1979. Repeal and new rule filed August 20, 2008; effective November 3, 2008.

#### **0960-02-.10 REASONABLE BUSINESS HOURS.**

All automotive dismantlers and recyclers shall be open at their established place of business during reasonable business hours, and these hours shall be posted either on the door to the facility, in a window of the facility or on the facility's sign. For this section, "reasonable business hours" means at least three days a week for a minimum of twelve hours (12) total during the week. The reasonable business hours must be between 8:00 a.m. and 7:00 p.m., and at least eight (8) of the hours must be on Monday, Tuesday, Wednesday, Thursday or Friday.

**Authority:** T.C.A. § 55-17-107. **Administrative History:** Original rule filed August 20, 2008; effective November 3, 2008.

#### **0960-02-.11 CIVIL PENALTIES.**

- (1) The Commission may, in a lawful proceeding respecting any individual or entity required to be licensed, registered, or certified who is otherwise subject to regulation by the Commission, in addition to or in lieu of any other lawful disciplinary action, assess a civil penalty for each separate violation of a statute, rule, or order pertaining to such individual/entity. The amount of any such civil penalty assessed shall be a minimum of one hundred dollars (\$100.00) and

(Rule 0960-02-.11, continued)

shall not exceed five thousand dollars (\$5,000.00) for each day of violation or for each act of violation.

- (2) In determining the amount of a civil penalty, the Commission may consider the following factors:
  - (a) Whether the amount imposed will be a substantial economic deterrent to the violator;
  - (b) The circumstances leading to the violation;
  - (c) The severity of the violation and the risk of harm to the public;
  - (d) The economic benefits gained by the violator as a result of non-compliance; and
  - (e) The interest of the public.
- (3) For purposes of the assessment of civil penalties pursuant to this rule, each separate act shall constitute a separate violation, and each day of continued violation shall constitute a separate violation.

**Authority:** T.C.A. §§ 55-17-107, 55-17-117, and 56-1-308. **Administrative History:** New rules filed March 3, 2026; effective June 1, 2026.

#### **0960-02-.12 COMPLIANCE WITH STATE AND FEDERAL LAWS AND REGULATIONS.**

- (1) All motor vehicle licensees pursuant to this Chapter shall comply with all applicable Tennessee and federal laws and regulations.
- (2) These rules shall in no way be construed to exempt any person from any other provision of Tennessee or federal laws and regulations.

**Authority:** T.C.A. §§ 55-17-107 and 55-17-118. **Administrative History:** New rules filed March 3, 2026; effective June 1, 2026.

#### **0960-02-.13 MAIL FROM COMMISSION.**

Except as otherwise provided, a licensed individual or entity or any individual or entity required to be licensed, or who is otherwise subject to regulation by the Commission, shall respond in writing to any communication from the Commission requesting a response within thirty (30) days of the mailing of such communication to the last address furnished to the Commission by the licensee, unless otherwise granted an extension of time.

**Authority:** T.C.A. § 55-17-107. **Administrative History:** New rules filed March 3, 2026; effective June 1, 2026.