



February 27, 2020

Registration and Title Bulletin # 005-20 Policy and Procedure

TO: All County Tax Assessor-Collectors

SUBJECT: Titling Procedures and Waiving of Fees for Out of Business Dealer Applications

PURPOSE

To provide guidance on the titling procedures and waiving of fees when an out of business dealer fails to apply for title on the purchaser's behalf.

DETAILS

House Bill (HB) 3842, enacted by the 86th Legislature, authorizes the department to establish titling requirements and waive fees paid to a dealer by the purchaser, when an out of business dealer failed to apply for title on the purchaser's behalf as required by Transportation Code, §501.0234. HB 3842 also authorizes the department to waive the fee for one 30-Day Permit for the purchaser.

A customer who purchases a vehicle from a dealer that has gone out of business may apply for title and registration at their county tax assessor-collector's office and apply for one 30-Day Permit at no fee, if needed.

Prior to applying for title, the purchaser must obtain a letter from a Texas Department of Motor Vehicles Regional Service Center on department letterhead stating the dealer has gone out of business and what fees may be waived. Fees waived are determined by evidence provided by the purchaser showing any fees that were paid to the dealer. The department will waive the following fees:

- title application fee;
- delinquent transfer penalty;
- all registration and optional county fees under Transportation Code, Chapter 502;
- all inspection fees under Transportation Code, Chapter 548; and
- buyer tag fee.

The department will not waive motor vehicle sales and use tax paid by the purchaser to the out of business dealer; however, the county tax assessor-collector may waive the fees per Tax Code, §152.041, when proof of payment is submitted to the county with the title application.

In addition to the letter, the purchaser must provide a sales contract, retail installment agreement, or buyer's order in lieu of the vehicle's evidence of ownership. If the vehicle is subject to odometer disclosure and a properly completed odometer disclosure statement is not included with the title application, the odometer brand must be recorded as Not Actual Mileage.

Additionally, a release of lien is not required if the only lienholder on the vehicle record is the dealer that went out of business. Otherwise, a release of lien will be required if a lien is recorded on the vehicle record.

Programming changes to facilitate waiving fees in the Registration and Title System (RTS) were implemented with RTS Release 9.5. A “Dealer Closure” checkbox is available on the TTL008 screen in the title event and during a 30-Day Permit transaction on the MRG005 screen. Checking the “Dealer Closure” checkbox will waive all fees associated with a title application or issuance of a 30-Day Permit. Any fees associated with the title application that were not paid to the dealer must be collected through the RTS Additional Collections Event. Additional details and processing instructions were provided in the RTS 9.5 Release Notes.

All title and 30-Day Permit related transactions will continue to display on existing RTS reports. RTS will retain the amount of fees that are waived with the title application and/or the 30-Day Permit issuance. Two new Cognos reports are available to reflect transactions associated with a dealer that has gone out of business. One report reflects the title transactions and the amount of fees waived. The other report reflects the 30-Day Permits and the amount of fees waived.

COUNTY ACTION

If a customer requests issuance of a 30-Day Permit for no fee or is filing a title application for a vehicle they purchased from a dealer that has gone out of business, ensure the customer has a letter issued by the department stating the dealership has gone out of business and the fees that may be waived. In addition, ensure the customer provides a sales contract, retail installment agreement, or buyer’s order in lieu of the vehicle’s evidence of ownership with the title application.

Record the odometer brand as Not Actual Mileage if an odometer disclosure is not provided for a vehicle subject to odometer disclosure, and do not require a release of lien if the lienholder is the dealer that has gone out of business.

Ensure any fees not waived in the letter issued by the department that are associated with the title application are collected through the RTS Additional Collections Event.

CONTACT

If you have any questions, please contact your local Texas Department of Motor Vehicles Regional Service Center.

Sincerely,



Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

JK:TT:JE

Texas Administrative Code

<u>TITLE 43</u>	TRANSPORTATION
<u>PART 10</u>	TEXAS DEPARTMENT OF MOTOR VEHICLES
<u>CHAPTER 217</u>	VEHICLE TITLES AND REGISTRATION
<u>SUBCHAPTER A</u>	MOTOR VEHICLE TITLES
RULE §217.16	Application for Title When Dealer Goes Out of Business

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- (a) A person who purchased a vehicle from a dealer who is required to apply for a title on the purchaser's behalf under Transportation Code, §501.0234 may apply for title as prescribed by this section if the dealer has gone out of business and did not apply for title.
- (b) For purposes of this section, a dealer has gone out of business if:
- (1) the dealer's license has been closed or has expired; or
 - (2) operations have ceased at the licensed location as determined by the department.
- (c) For purposes of this section, a person must obtain a letter on department letterhead stating a dealer has gone out of business. A person may request the letter by contacting the department, including a Regional Service Center, or a county tax assessor-collector's office.
- (d) An application under subsection (a) of this section must meet the requirements of §217.4 of this title (relating to Initial Application for Title) except the applicant:
- (1) must provide the sales contract, retail installment agreement, or buyer's order in lieu of evidence of vehicle ownership as described in §217.5(a) of this title (relating to Evidence of Motor Vehicle Ownership);
 - (2) must provide the letter described by subsection (c) of this section; and
 - (3) is not required to provide a release of lien if the only recorded lienholder is the dealer that has gone out of business.
- (e) If a title application under this section does not include a properly completed odometer disclosure statement, as required by Transportation Code, §501.072, the odometer brand will be recorded as "NOT ACTUAL MILEAGE."
- (f) The department will waive the payment of the following fees if the applicant can provide evidence showing the fee was paid to the dealer:
- (1) a title application fee under Transportation Code, §501.138;
 - (2) delinquent transfer penalty under Transportation Code, §501.146;
 - (3) all fees under Transportation Code, Chapter 502; and
 - (4) the buyer's temporary tag fee under Transportation Code, §503.063.
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Source Note: The provisions of this §217.16 adopted to be effective March 1, 2020, 45 TexReg 1230

Texas Administrative Code

<u>TITLE 43</u>	TRANSPORTATION
<u>PART 10</u>	TEXAS DEPARTMENT OF MOTOR VEHICLES
<u>CHAPTER 217</u>	VEHICLE TITLES AND REGISTRATION
<u>SUBCHAPTER B</u>	MOTOR VEHICLE REGISTRATION
RULE §217.40	Special Registrations

(a) Purpose and scope. Transportation Code, Chapter 502, Subchapters C and I, charge the department with the responsibility of issuing special registration permits which shall be recognized as legal registration for the movement of motor vehicles not authorized to travel on Texas public highways for lack of registration or for lack of reciprocity with the state or country in which the vehicles are registered. For the department to efficiently and effectively perform these duties, this section prescribes the policies and procedures for the application and the issuance of temporary registration permits.

(b) Permit categories. The department will issue the following categories of special registration permits.

(1) Additional weight permits. The owner of a truck, truck tractor, trailer, or semitrailer may purchase temporary additional weight permits for the purpose of transporting the owner's own seasonal agricultural products to market or other points for sale or processing in accordance with Transportation Code, §502.434. In addition, such vehicles may be used for the transportation without charge of seasonal laborers from their place of residence, and materials, tools, equipment, and supplies from the place of purchase or storage, to a farm or ranch exclusively for use on such farm or ranch.

(A) Additional weight permits are valid for a limited period of less than one year.

(B) An additional weight permit will not be issued for a period of less than one month or extended beyond the expiration of a license plate issued under Transportation Code, Chapter 502.

(C) The statutory fee for an additional weight permit is based on a percentage of the difference between the owner's annual registration fee and the annual fee for the desired gross vehicle weight computed as follows:

- (i) one-month (or 30 consecutive days)--10%;
- (ii) one-quarter (three consecutive months)--30%;
- (iii) two-quarters (six consecutive months)--60%; or
- (iv) three-quarters (nine consecutive months)--90%.

(D) Additional weight permits are issued for calendar quarters with the first quarter to begin on April 1st of each year.

(E) A permit will not be issued unless the registration fee for hauling the additional weight has been paid prior to the actual hauling.

(F) An applicant must provide proof of the applicant's Texas Agriculture or Timber Exemption Registration Number issued by the Texas Comptroller of Public Accounts. Proof of the registration number must be:

- (i) legible;
- (ii) current;
- (iii) in the name of the person or dba in which the vehicle is or will be registered; and

(iv) verifiable through the online system established by the Comptroller.

(2) Annual permits.

(A) Transportation Code, §502.093 authorizes the department to issue annual permits to provide for the movement of foreign commercial vehicles that are not authorized to travel on Texas highways for lack of registration or for lack of reciprocity with the state or country in which the vehicles are registered. The department will issue annual permits:

(i) for a 12-month period designated by the department which begins on the first day of a calendar month and expires on the last day of the last calendar month in that annual registration period; and

(ii) to each vehicle or combination of vehicles for the registration fee prescribed by weight classification in Transportation Code, §502.253 and §502.255.

(B) The department will not issue annual permits for the importation of citrus fruit into Texas from a foreign country except for foreign export or processing for foreign export.

(C) The following exemptions apply to vehicles displaying annual permits.

(i) Currently registered foreign semitrailers having a gross weight in excess of 6,000 pounds used or to be used in combination with commercial motor vehicles or truck tractors having a gross vehicle weight in excess of 10,000 pounds are exempted from the requirements to pay the token fee and display the associated distinguishing license plate provided for in Transportation Code, §502.255. An annual permit is required for the power unit only. For vehicles registered in combination, the combined gross weight may not be less than 18,000 pounds.

(ii) Vehicles registered with annual permits are not subject to the optional county registration fee under Transportation Code, §502.401; the optional county fee for transportation projects under Transportation Code, §502.402; or the optional registration fee for child safety under Transportation Code, §502.403.

(3) 72-hour permits and 144-hour permits.

(A) In accordance with Transportation Code, §502.094, the department will issue a permit valid for 72 hours or 144 hours for the movement of commercial motor vehicles, trailers, semitrailers, and motor buses owned by residents of the United States, Mexico, or Canada.

(B) A 72-hour permit or a 144-hour permit is valid for the period of time stated on the permit beginning with the effective day and time as shown on the permit registration receipt.

(C) Vehicles displaying 72-hour permits or 144-hour permits are subject to vehicle safety inspection in accordance with Transportation Code, §548.051, except for:

(i) vehicles currently registered in another state of the United States, Mexico, or Canada; and

(ii) mobile drilling and servicing equipment used in the production of gas, crude petroleum, or oil, including, but not limited to, mobile cranes and hoisting equipment, mobile lift equipment, forklifts, and tugs.

(D) The department will not issue a 72-hour permit or a 144-hour permit to a commercial motor vehicle, trailer, semitrailer, or motor bus apprehended for violation of Texas registration laws. Apprehended vehicles must be registered under Transportation Code, Chapter 502.

(4) Temporary agricultural permits.

(A) Transportation Code, §502.092 authorizes the department to issue a 30-day temporary nonresident registration permit to a nonresident for any truck, truck tractor, trailer, or semitrailer to be used in the movement of all agriculture products produced in Texas:

(i) from the place of production to market, storage, or railhead not more than 75 miles from the place of production; or

(ii) to be used in the movement of machinery used to harvest Texas-produced agricultural products.

(B) The department will issue a 30-day temporary nonresident registration permit to a nonresident for any truck, truck tractor, trailer, or semitrailer used to move or harvest farm products, produced outside of Texas, but:

(i) marketed or processed in Texas; or

(ii) moved to points in Texas for shipment from the point of entry into Texas to market, storage, processing plant, railhead or seaport not more than 80 miles from such point of entry into Texas.

(C) The statutory fee for temporary agricultural permits is one-twelfth of the annual Texas registration fee prescribed for the vehicle for which the permit is issued.

(D) The department will issue a temporary agricultural permit only when the vehicle is legally registered in the nonresident's home state or country for the current registration year.

(E) The number of temporary agricultural permits is limited to three permits per nonresident owner during any one vehicle registration year.

(F) Temporary agricultural permits may not be issued to farm licensed trailers or semitrailers.

(5) One-trip permits. Transportation Code, §502.095 authorizes the department to temporarily register any unladen vehicle upon application to provide for the movement of the vehicle for one trip, when the vehicle is subject to Texas registration and not authorized to travel on the public roadways for lack of registration or lack of registration reciprocity.

(A) Upon receipt of the \$5 fee, registration will be valid for one trip only between the points of origin and destination and intermediate points as may be set forth in the application and registration receipt.

(B) The department will issue a one-trip permit to a bus which is not covered by a reciprocity agreement with the state or country in which it is registered to allow for the transit of the vehicle only. The vehicle should not be used for the transportation of any passenger or property, for compensation or otherwise, unless such bus is operating under charter from another state or country.

(C) A one-trip permit is valid for a period up to 15 days from the effective date of registration.

(D) A one-trip permit may not be issued for a trip which both originates and terminates outside Texas.

(E) A laden motor vehicle or a laden commercial vehicle cannot display a one-trip permit. If the vehicle is unregistered, it must operate with a 72-hour or 144-hour permit.

(6) 30-day temporary registration permits. Transportation Code, §502.095 authorizes the department to issue a temporary registration permit valid for 30 days for a \$25 fee. A vehicle operated on a 30-day temporary permit is not restricted to a specific route. The permit is available for:

(A) passenger vehicles;

(B) motorcycles;

(C) private buses;

(D) trailers and semitrailers with a gross weight not exceeding 10,000 pounds;

(E) light commercial vehicles not exceeding a gross weight of 10,000 pounds; and

(F) a commercial vehicle exceeding 10,000 pounds, provided the vehicle is operated unladen.

(c) Application process.

(1) Procedure. An owner who wishes to apply for a temporary registration permit for a vehicle which is otherwise required to be registered in accordance with this subchapter, must do so on a form prescribed by the department.

(2) Form requirements. The application form will at a minimum require:

- (A) the signature of the owner;
- (B) the name and complete address of the applicant; and
- (C) the vehicle description.

(3) Fees and documentation. The application must be accompanied by:

(A) statutorily prescribed fees, unless the applicant is exempt from fees under Transportation Code, §501.0236 and provides the letter specified in §217.16(c) of this title (relating to Application for Title When Dealer Goes Out of Business);

(B) evidence of financial responsibility:

(i) as required by Transportation Code, Chapter 502, Subchapter B, provided that all policies written for the operation of motor vehicles must be issued by an insurance company or surety company authorized to write motor vehicle liability insurance in Texas; or

(ii) if the applicant is a motor carrier as defined by §218.2 of this title (relating to Definitions), indicating that the vehicle is registered in compliance with Chapter 218, Subchapter B of this title (relating to Motor Carrier Registration); and

(C) any other documents or fees required by law.

(4) Place of application.

(A) All applications for annual permits must be submitted directly to the department for processing and issuance.

(B) Additional weight permits and temporary agricultural permits may be obtained by making application with the department through the county tax assessor-collectors' offices.

(C) 72-hour and 144-hour permits, one-trip permits, and 30-day temporary registration permits may be obtained by making application either with the department or the county tax assessor-collectors' offices.

(d) Receipt for permit in lieu of registration. A receipt will be issued for each permit in lieu of registration to be carried in the vehicle during the time the permit is valid. A one-trip or 30-day trip permit must be displayed as required by Transportation Code, §502.095(f). If the receipt is lost or destroyed, the owner must obtain a duplicate from the department or from the county office. The fee for the duplicate receipt is the same as the fee required by Transportation Code, §502.058.

(e) Transfer of temporary permits.

(1) Temporary permits are non-transferable between vehicles and/or owners.

(2) If the owner of a vehicle displaying a temporary permit disposes of the vehicle during the time the permit is valid, the permit must be returned to the county tax assessor-collector office or department immediately.

(f) Replacement permits. Vehicle owners displaying annual permits may obtain replacement permits if an annual permit is lost, stolen, or mutilated.

(1) The fee for a replacement annual permit is the same as for a replacement number plate, symbol, tab, or other device as provided by Transportation Code, §502.060.

(2) The owner shall apply directly to the department in writing for the issuance of a replacement annual permit. Such request should include a copy of the registration receipt and replacement fee.

(g) Agreements with other jurisdictions. In accordance with Transportation Code, §502.091, and Chapter 648, the executive director of the department may enter into a written agreement with an authorized officer of a state, province, territory, or possession of a foreign country to provide for the exemption from payment of registration fees by nonresidents, if residents of this state are granted reciprocal exemptions. The executive director may enter into such agreement only upon:

- (1) the approval of the governor; and
- (2) making a determination that the economic benefits to the state outweigh all other factors considered.

(h) Border commercial zones.

(1) Texas registration required. A vehicle located in a border commercial zone must display a valid Texas registration if the vehicle is owned by a person who:

- (A) owns a leasing facility or a leasing terminal located in Texas; and
- (B) leases the vehicle to a foreign motor carrier.

(2) Exemption for trips of short duration. Except as provided by paragraph (1) of this subsection, a foreign commercial vehicle operating in accordance with Transportation Code, Chapter 648 is exempt from the display of a temporary registration permit if:

(A) the vehicle is engaged solely in the transportation of cargo across the border into or from a border commercial zone;

(B) for each load of cargo transported the vehicle remains in this state for:

- (i) not more than 24 hours; or
- (ii) not more than 48 hours, if:

(I) the vehicle is unable to leave this state within 24 hours because of circumstances beyond the control of the motor carrier operating the vehicle; and

(II) all financial responsibility requirements applying to this vehicle are satisfied;

(C) the vehicle is registered and licensed as required by the country in which the person that owns the vehicle is domiciled or is a citizen as evidenced by a valid metal license plate attached to the front or rear exterior of the vehicle; and

(D) the country in which the person who owns the vehicle is domiciled or is a citizen provides a reciprocal exemption for commercial motor vehicles owned by residents of Texas.

(3) Exemption due to reciprocity agreement. Except as provided by paragraph (1) of this subsection, a foreign commercial motor vehicle in a border commercial zone in this state is exempt from the requirement of obtaining a Texas registration if the vehicle is currently registered in another state of the United States or a province of Canada with which this state has a reciprocity agreement that exempts a vehicle that is owned by a resident of this state and that is currently registered in this state from registration in the other state or province.

Source Note: The provisions of this §217.40 adopted to be effective March 12, 2015, 40 TexReg 1096; amended to be effective August 8, 2016, 41 TexReg 5766; amended to be effective December 4, 2016, 41 TexReg 9335; amended to be effective March 1, 2020, 45 TexReg 1230

AN ACT

relating to the regulation of certain motor vehicle dealers;
waiving certain fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 501, Transportation Code,
is amended by adding Section 501.0236 to read as follows:

Sec. 501.0236. ISSUANCE OF TITLE AND PERMITS WHEN DEALER
GOES OUT OF BUSINESS. (a) This section applies only to a person who
is the purchaser of a motor vehicle for which the dealer:

(1) is required to apply for a title for the vehicle
under Section 501.0234; and

(2) does not apply for the title because the dealer has
gone out of business.

(b) A purchaser to whom this section applies may apply for:

(1) a title in the manner prescribed by the department
by rule; and

(2) on expiration of the buyer's tag issued to the
purchaser under Section 503.063, a 30-day permit under Section
502.095.

(c) An application for a title under this section must
include a release of any recorded lien on the motor vehicle unless
the only recorded lienholder is a dealer described by Subsection
(a).

(d) The department shall waive the payment of fees for:

1 (1) a title issued to a purchaser described by this
2 section, if the purchaser can show that fees for a title were paid
3 to the dealer; and

4 (2) one 30-day permit issued to a purchaser described
5 by this section.

6 (e) Notwithstanding Section 503.033(e), the department may
7 recover against the surety bond executed by the dealer under
8 Section 503.033 the amount of any fee waived for a title or permit
9 issued under this section.

10 (f) The department shall adopt the rules necessary to
11 implement this section.

12 SECTION 2. Section 503.027(a), Transportation Code, is
13 amended to read as follows:

14 (a) A ~~[If a dealer consigns for sale more than five vehicles~~
15 ~~in a calendar year from a location other than the location for which~~
16 ~~the dealer holds a general distinguishing number, the]~~ dealer must
17 ~~[also]~~ hold a general distinguishing number for a ~~[the]~~ consignment
18 location unless the consignment location is a wholesale motor
19 vehicle auction.

20 SECTION 3. This Act takes effect September 1, 2019.

H.B. No. 3842

President of the Senate

Speaker of the House

I certify that H.B. No. 3842 was passed by the House on April 30, 2019, by the following vote: Yeas 131, Nays 15, 1 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 3842 on May 24, 2019, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 3842 on May 26, 2019, by the following vote: Yeas 128, Nays 14, 1 present, not voting.

Chief Clerk of the House

H.B. No. 3842

I certify that H.B. No. 3842 was passed by the Senate, with amendments, on May 22, 2019, by the following vote: Yeas 27, Nays 4; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 3842 on May 25, 2019, by the following vote: Yeas 29, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor

Motor Vehicle Recipient Business Entity Types

Government

- Federal Government Agencies
- State Government Agencies
- County Government
- City Government
- Law Enforcement
- Toll Road Entities

Towing and Salvage

- Vehicle Storage Facilities
- Towing Companies
- Repossession and Recovery Companies
- Metal Recyclers
- Auto Parts Recyclers

Automotive and Automotive Sales Industry

- Mechanics/Body Shops
- New Automotive Dealers
- Used Automotive Dealers
- Banks and Lenders
- Title Services
- Auto Service Consultants

Insurance Industry

- Insurance Companies,
- Insurance Agencies
- Insurance Agents
- Insurance Adjusters

Other Industry

- Hospitals
- Schools and Universities
- Home Owners Associations
- Defensive Driving Schools
- Law Offices
- Resellers / IT Services
- Private Investigators

TITLE 43 TRANSPORTATION

PART 10 TEXAS DEPARTMENT OF MOTOR VEHICLES

CHAPTER 217 VEHICLE TITLES AND REGISTRATION

SUBCHAPTER F MOTOR VEHICLE RECORDS

§217.121 Purpose and Scope

It is the policy of the Texas Department of Motor Vehicles to protect the confidentiality of motor vehicle record information.

§217.122 Definitions

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

- (1) Authorized recipient--A person receiving motor vehicle records as defined by this subchapter, in a manner authorized by Transportation Code, Chapter 730.
- (2) Department--Texas Department of Motor Vehicles.
- (3) Motor vehicle records--Information regarding the titling or registration of motor vehicles, which may include the make, vehicle identification number, year, model, body style, license number of a motor vehicle, and the name, address, and social security number of an owner or lienholder.
- (4) Personal information--Information that identifies an individual, including an individual's photograph or computerized image, social security number, driver identification number, personal identification certificate number, name, telephone number, medical or disability information, license plate number, or address other than the postal routing code.
- (5) Requestor--A person seeking personal information contained in motor vehicle records directly from the department.
- (6) Service agreement--A contractual agreement that allows individuals, businesses or governmental entities or institutions to access the department's motor vehicle records.
- (7) Written request--A request made in writing, including electronic mail, electronic media, and facsimile transmission.

§217.123 Access to Motor Vehicle Records

(a) Request for records. A requestor shall submit a written request on the form required by the department. Information will be released only in accordance with Title 18 U.S.C. §2721 et seq., Transportation Code, Chapter 730, Government Code, §552.130, and this subchapter. A completed and properly executed form must include, at a minimum:

- (1) the name and address of the requestor;
- (2) the Texas license number, title or document number, or vehicle identification number of the motor

vehicle about which information is requested;

(3) a photocopy of the requestor's identification;

(4) a statement that the requested information may only be released if the requestor is the subject of the record, if the requestor has written authorization for release from the subject of the record, or if the intended use is for a permitted use as indicated on the form;

(5) a certification that the statements made on the form are true and correct; and

(6) the signature of the requestor.

(b) Identification required. A requestor may not apply for receipt of personal information unless the requestor presents current photo identification containing a unique identification number. The identification document must be a:

(1) driver's license or state identification certificate issued by a state or territory of the United States;

(2) United States or foreign passport;

(3) United States military identification card;

(4) United States Department of Homeland Security, United States Citizenship and Immigration Services, or United States Department of State identification document;

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

(6) copy of current law enforcement credentials if the requestor is a law enforcement officer.

(c) Electronic access. The department may make motor vehicle records available under the terms of a written service agreement.

(1) Agreement with business or individuals. The written service agreement with a business or individual must contain:

(A) the specified purpose of the agreement;

(B) an adjustable account, if applicable, in which an initial deposit and minimum balance is maintained in accordance with §217.124 of this title (relating to Cost of Motor Vehicle Records);

(C) termination and default provisions;

(D) the contractor's signature;

(E) a statement that the use of motor vehicle records obtained by virtue of a service agreement is conditional upon its being used:

(i) in accordance with 18 U.S.C. §2721 et seq. and Transportation Code, Chapter 730; and

(ii) only for the purposes defined in the agreement; and

(F) the statements required by subsection (a) of this section.

(2) Agreements with Texas governmental entities.

(A) The written service agreement with a Texas governmental entity must contain:

(i) the specified purpose of the agreement;

(ii) a statement that the use of motor vehicle records obtained by virtue of a service agreement is conditional upon its being used in accordance with 18 U.S.C. §2721 et seq. and Transportation Code, Chapter 730, and only for the purposes defined in the agreement;

(iii) the statements required by subsection (a) of this section;

(iv) the signature of an authorized official; and

(v) an attached statement citing the entity's authority to obtain social security number information, if applicable.

(B) Texas governmental entities, as defined in Government Code, §2252.001, and including the Texas Law Enforcement Telecommunication System and toll project entities, as defined by Transportation Code, §372.001, are exempt from the payment of fees, except as provided by §217.124(e) of this title.

(d) Ineligibility to receive personal information. The department may prohibit a person, business, or Texas governmental entity from receiving personal information if the department finds a violation of a term or condition of the agreement entered into in accordance with subsection (c) of this section.

(e) Initial deposits and minimum balances. Notwithstanding §217.124 of this title, the department may modify initial deposit and minimum balance requirements on a case by case basis depending on customer usage.

§217.124 Cost of Motor Vehicle Records

(a) Standard costs. The department will charge fees in accordance with Government Code, Chapter 552 and the cost rules promulgated by the Office of the Attorney General in 1 Texas Administrative Code, Chapter 70 (relating to Cost of Copies of Public Information).

(b) Law enforcement. An employee of a state, federal or local law enforcement entity is exempt from the payment of fees for motor vehicle records in subsection (c)(1) - (4) of this section if the records are necessary to carry out lawful functions of the law enforcement agency.

(c) Motor vehicle record costs. For new contracts and renewals, the costs are:

(1) Title history - \$5.75;

(2) Certified title history - \$6.75;

(3) Title and registration verification (record search) - \$2.30;

(4) Certified title and registration verification (record search) - \$3.30; and

(5) Duplicate registration receipt for current registration period - \$2.

(d) Electronic motor vehicle records and files.

(1) Master file of motor vehicle registration and title database - \$5,000 plus \$.38 per 1,000 records;

(2) Weekly updates to motor vehicle registration and title database - deposit of \$1,755 and \$135 per week;

(3) e-Tag file - deposit of \$845 and \$65 per week;

(4) Dealer supplemental file - deposit of \$1,235 and \$95 per week;

(5) Special plates file - deposit of \$1,235 and \$95 per week;

(6) Batch inquiry to motor vehicle registration and title database - deposit of \$1,000, minimum balance of \$750 and \$23 per run plus \$.12 per record;

(7) Online motor vehicle inquiry (MVInet) access - deposit of \$200, minimum balance of \$150 and \$23 per month plus \$.12 per record; and

(8) Scofflaw remarks (inquiry, addition or deletion) - deposit of \$500, minimum balance of \$350 and \$23 per run plus \$.12 per record.

(e) Exemption applicability. The exemption granted in §217.123(c)(2)(B) of this title (relating to Access to Motor Vehicle Records) does not apply to subsection (d)(1), (6), or (8) of this section.

(f) Reciprocity agreements. The department may enter into reciprocity agreements for records access with other governmental entities that may waive some or all of the fees established in this section.

§217.125 Additional Documentation Related to Certain Permitted Uses

(a) The department may require a requestor to provide reasonable assurance as to the identity of the requestor and that the use of motor vehicle records is only as authorized under Transportation Code, §730.012(a). Where applicable, each requestor submitting a request for motor vehicle records shall provide documentation satisfactory to the department that they are authorized to request the information on behalf of the business or government entity authorized to receive the information.

(b) Disclosure under the following permitted uses requires additional documentation submitted to the department:

(1) Transportation Code, §730.007(2)(C) requires submitting the information the business is attempting to verify against the department's motor vehicle records.

(2) Transportation Code, §730.007(2)(D) requires submitting proof of legal proceeding, or if no proceeding has been initiated, proof in anticipation of proceeding.

(3) Transportation Code, §730.007(2)(E) requires submitting documentation sufficient to prove the requestor is employed in a researching occupation.

(4) Transportation Code, §730.007(2)(F) requires submitting a license number provided by the Texas Department of Insurance, a license number the insurance support organization is working under, or proof of self-insurance.

(5) Transportation Code, §730.007(2)(G) requires submitting a license number provided by the Texas

Department of Licensing and Regulation.

(6) Transportation Code, §730.007(2)(H) requires submitting a license number provided by the Texas Department of Public Safety.

(7) Transportation Code, §730.007(2)(I) requires submitting a copy of the commercial driver's license.

(8) Transportation Code, §730.007(2)(J) requires submitting documentation to relate the requested personal information with operation of a private toll transportation facility.

(9) Transportation Code, §730.007(2)(K) requires a consumer reporting agency, as defined by the Fair Credit Reporting Act (15 U.S.C. §1681 et. seq.), to submit documentation on official letterhead indicating a permitted use for personal information, as defined by that Act.

(c) Regarding §217.125(b)(4-6), the department may accept out-of-state licenses as documentation of a permitted use. Under this subsection, the department will limit access to a record-by-record basis.

§217.126 Limitations on Resale and Redisclosure

(a) Authorized recipients may only resell or redisclose personal information to other authorized recipients and not in the identical or substantially identical format as provided by the department.

(b) Authorized recipients may not resell or redisclose the entire motor vehicle records database in its complete bulk format.

(c) Any authorized recipient reselling or redisclosing personal information must inform the person to whom they are reselling or redisclosing of their obligations under Transportation Code, Chapter 730 and this subchapter.

(d) Any authorized recipient is responsible for misuse of personal information by any person receiving their version of the information, regardless of whether the authorized recipient approved or was aware of subsequent transfers of the information.

§217.127 Records Maintained by Recipients Who Resell or Redisclose Personal Information

(a) Authorized recipients who resell or redisclose personal information are required to maintain records of that transaction.

(b) Records must be maintained for not less than five years and must include:

(1) the name and contact information of any recipient of resold or redisclosed personal information contained in motor vehicle records;

(2) the permitted use for which the records were released, or documentation in accordance with 217.125(b);

(3) the quantity of records sold or disclosed to each subsequent person;

(4) a statement by the authorized recipient specifying what data was resold or redisclosed and in what format; and

(5) any other documentation of the agreement to resell or redisclose personal information contained in motor vehicle records.

§217.128 Department Review of Recipient's Records of Resale or Redisclosure

- (a) The department has the authority to request and review records kept by all authorized recipients who resell or redisclose personal information.
- (b) This request will be made in writing.
- (c) The requested records must be provided to the department within 30 days of the request.
- (d) Failure to fully respond to the department's request may result in termination of access to motor vehicle records under Transportation Code, §730.007.
- (e) Upon receipt of the requested records, the department will evaluate the records for compliance with the service agreement, applicable statutes, and rules.
- (f) If it is determined that an authorized recipient is not in compliance with the service agreement, applicable statutes, and rules, the service agreement may be terminated.

§217.129 Ineligibility to Receive Motor Vehicle Records

- (a) The department may deny a requestor's access to motor vehicle records if it determines withholding the information benefits the public's interest more than releasing the information.
- (b) If the department determines an authorized recipient of motor vehicle records has violated a clause or term of the service agreement, and that service agreement has been terminated, that authorized recipient cannot enter into a subsequent service agreement unless approved to do so under §217.130 of this title (relating to Approval for Persons Whose Access to Motor Vehicle Records Has Previously Been Terminated).
- (c) Termination of the service agreement caused by any member of a business, partnership, or entity shall be effective on the whole organization. Subsequent businesses formed by any member, officer, partner or affiliate of an entity whose service agreement has been terminated will also be ineligible to receive records.

§217.130 Approval for Persons Whose Access to Motor Vehicle Records Has Previously Been Terminated

- (a) A requestor whose service agreement was previously terminated, but who is not subject to Transportation Code, §730.016, shall submit a written request for reapproval on the form required by the department.
- (b) In addition to the requirements of §217.123 of this title (relating to Access to Motor Vehicle Records), the request must contain:
 - (1) any documents indicating remedial efforts the requestor has undertaken to prevent the unlawful disclosure of motor vehicle records,
 - (2) any documents indicating agreements between the requestor and third parties receiving resold or redisclosed motor vehicle records, and
 - (3) a statement that the requestor will notify the department before reselling or redisclosing any motor vehicle records for the time period prescribed by the department, including all of the information required under §217.127(b) of this title (relating to Records Maintained by Recipients Who Resell or Redisclose Personal Information). The notification must include the name, address, and contact information of the third

party requesting resold or redisclosed motor vehicle records, and must include the form(s) used to verify the third party's lawful purpose in obtaining motor vehicle records.

(c) Failure to comply with any of the terms of this section or a re-offense of the service agreement will result in the termination of the service agreement and the permanent inability to receive motor vehicle records.

TRANSPORTATION CODE

TITLE 7. VEHICLES AND TRAFFIC

SUBTITLE J. MISCELLANEOUS PROVISIONS

CHAPTER 730. MOTOR VEHICLE RECORDS DISCLOSURE ACT

Sec. 730.001. SHORT TITLE. This chapter may be cited as the Motor Vehicle Records Disclosure Act.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.

Sec. 730.002. PURPOSE. The purpose of this chapter is to implement 18 U.S.C. Chapter 123 and to protect the interest of an individual in the individual's personal privacy by prohibiting the disclosure and use of personal information contained in motor vehicle records, except as authorized by the individual or by law.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.

Sec. 730.003. DEFINITIONS. In this chapter:

(1) "Agency" includes any agency or political subdivision of this state, or an authorized agent or contractor of an agency or political subdivision of this state, that compiles or maintains motor vehicle records.

(2) "Disclose" means to make available or make known personal information contained in a motor vehicle record about a person to another person, by any means of communication.

(3) "Individual record" means a motor vehicle record obtained by an agency containing personal information about an individual who is the subject of the record as identified in a request.

(4) "Motor vehicle record" means a record that pertains to a motor vehicle operator's or driver's license or permit, motor vehicle registration, motor vehicle title, or identification document issued by an agency of this state or a local agency authorized to issue an identification document. The term does not include:

- (A) a record that pertains to a motor carrier; or
- (B) an accident report prepared under:
 - (i) Chapter 550; or
 - (ii) former Section 601.004 before September 1,

2017.

(5) "Person" means an individual, organization, or entity but does not include this state or an agency of this state.

(6) "Personal information" means information that identifies a person, including an individual's photograph or computerized image, social security number, driver identification number, name, address, but not the zip code, telephone number, and medical or disability information. The term does not include:

- (A) information on vehicle accidents, driving or equipment-related violations, or driver's license or registration status; or
- (B) information contained in an accident report prepared under:

- (i) Chapter 550; or
- (ii) former Section 601.004 before September 1,

2017.

(7) "Record" includes any book, paper, photograph, photostat, card, film, tape, recording, electronic data, printout, or other documentary material regardless of physical form or characteristics.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.

Amended by Acts 2001, 77th Leg., ch. 1032, Sec. 6, eff. Sept. 1, 2001.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 533 (S.B. 312), Sec. 54, eff. September 1, 2017.

Sec. 730.004. PROHIBITION ON DISCLOSURE AND USE OF PERSONAL INFORMATION FROM MOTOR VEHICLE RECORDS. Notwithstanding any other provision of law to the contrary, including Chapter 552, Government Code, except as provided by Sections 730.005-730.007, an agency may not disclose personal information about any person obtained by the agency in connection with a motor vehicle record.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.
 Amended by Acts 2001, 77th Leg., ch. 1032, Sec. 7, eff. Sept. 1, 2001.

Sec. 730.005. REQUIRED DISCLOSURE. Personal information obtained by an agency in connection with a motor vehicle record shall be disclosed for use in connection with any matter of:

- (1) motor vehicle or motor vehicle operator safety;
- (2) motor vehicle theft;
- (3) motor vehicle emissions;
- (4) motor vehicle product alterations, recalls, or advisories;
- (5) performance monitoring of motor vehicles or motor vehicle dealers by a motor vehicle manufacturer;
- (6) removal of nonowner records from the original owner records of a motor vehicle manufacturer to carry out the purposes of:
 - (A) the Automobile Information Disclosure Act, 15 U.S.C. Section 1231 et seq.;
 - (B) 49 U.S.C. Chapters 301, 305, 323, 325, 327, 329, and 331;
 - (C) the Anti Car Theft Act of 1992, 18 U.S.C. Sections 553, 981, 982, 2119, 2312, 2313, and 2322, 19 U.S.C. Sections 1646b and 1646c, and 42 U.S.C. Section 3750a et seq., all as amended;
 - (D) the Clean Air Act, 42 U.S.C. Section 7401 et seq., as amended; and
 - (E) any other statute or regulation enacted or adopted under or in relation to a law included in Paragraphs (A)-(D);
- (7) child support enforcement under Chapter [231](#), Family Code;
- (8) enforcement by the Texas Workforce Commission under Title 4, Labor Code; or
- (9) voter registration or the administration of elections by the secretary of state.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.
 Amended by Acts 2001, 77th Leg., ch. 1023, Sec. 72, eff. Sept. 1, 2001.
 Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 869 (S.B. 76), Sec. 6, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1012 (H.B. 2512), Sec. 2, eff. June 14, 2013.

Sec. 730.006. REQUIRED DISCLOSURE WITH CONSENT. Personal information obtained by an agency in connection with a motor vehicle record shall be disclosed to a requestor who demonstrates, in such form and manner as the agency requires, that the requestor has obtained the written consent of the person who is the subject of the information.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.

Sec. 730.007. PERMITTED DISCLOSURES. (a) Personal information obtained by an agency in connection with a motor vehicle record may be disclosed to any requestor by an agency if the requestor:

(1) provides the requestor's name and address and any proof of that information required by the agency; and

(2) represents that the use of the personal information will be strictly limited to:

(A) use by:

(i) a government agency, including any court or law enforcement agency, in carrying out its functions; or

(ii) a private person or entity acting on behalf of a government agency in carrying out the functions of the agency;

(B) use in connection with a matter of:

(i) motor vehicle or motor vehicle operator safety;

(ii) motor vehicle theft;

(iii) motor vehicle product alterations, recalls, or advisories;

(iv) performance monitoring of motor vehicles, motor vehicle parts, or motor vehicle dealers;

(v) motor vehicle market research activities, including survey research; or

(vi) removal of nonowner records from the original owner records of motor vehicle manufacturers;

(C) use in the normal course of business by a legitimate business or an authorized agent of the business, but only:

(i) to verify the accuracy of personal information submitted by the individual to the business or the agent of the business; and

(ii) if the information is not correct, to obtain the correct information, for the sole purpose of preventing fraud by, pursuing a legal remedy against, or recovering on a debt or security interest against the individual;

(D) use in conjunction with a civil, criminal, administrative, or arbitral proceeding in any court or government agency or before any self-regulatory body, including service of process, investigation in anticipation of litigation, execution or enforcement of a judgment or order, or under an order of any court;

(E) use in research or in producing statistical reports, but only if the personal information is not published, redisclosed, or used to contact any individual;

(F) use by an insurer or insurance support organization, or by a self-insured entity, or an authorized agent of the entity, in connection with claims investigation activities, antifraud activities, rating, or underwriting;

(G) use in providing notice to an owner of a towed or impounded vehicle;

(H) use by a licensed private investigator agency or licensed security service for a purpose permitted under this section;

(I) use by an employer or an agent or insurer of the employer to obtain or verify information relating to a holder of a commercial driver's license that is required under 49 U.S.C. Chapter [313](#);

(J) use in connection with the operation of a private toll transportation facility;

(K) use by a consumer reporting agency, as defined by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.), for a purpose permitted under that Act; or

(L) use for any other purpose specifically authorized by law that relates to the operation of a motor vehicle or to public safety.

(b) The only personal information an agency may release under this section is the individual's:

- (1) name and address;
- (2) date of birth; and
- (3) driver's license number.

(c) This section does not:

(1) prohibit the disclosure of a person's photographic image to:

(A) a law enforcement agency, the Texas Department of Motor Vehicles, a county tax assessor-collector, or a criminal justice agency for an official purpose;

(B) an agency of this state investigating an alleged violation of a state or federal law relating to the obtaining, selling, or purchasing of a benefit authorized by Chapter 31 or 33, Human Resources Code; or

(C) an agency of this state investigating an alleged violation of a state or federal law under authority provided by Title 4, Labor Code; or

(2) prevent a court from compelling by subpoena the production of a person's photographic image.

(d) Personal information obtained by an agency in connection with a motor vehicle record shall be disclosed to a requestor by an agency if the requestor:

(1) provides the requestor's name and address and any proof of that information required by the agency; and

(2) represents that the intent of the requestor is to use personal information in the motor vehicle record only for the purpose of preventing, detecting, or protecting against personal identity theft or other acts of fraud and provides any proof of the requestor's intent required by the agency.

(e) If the agency determines that the requestor intends to use personal information requested under Subsection (d) only for the represented purpose, the agency shall release to the requestor any requested personal information in the motor vehicle record.

(f) Personal information obtained by an agency under Section 411.0845, Government Code, in connection with a motor vehicle record may be disclosed as provided by that section.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.
Amended by Acts 2001, 77th Leg., ch. 1032, Sec. 7, eff. Sept. 1, 2001.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1372 (S.B. 9), Sec. 26, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 869 (S.B. 76), Sec. 7, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. 2741), Sec. 133, eff. September 1, 2013.

Sec. 730.010. DISCLOSURE OF THUMB OR FINGER IMAGES PROHIBITED. Notwithstanding any other provision of this chapter, if an agency obtains an image of an individual's thumb or finger in connection with the issuance of a license, permit, or certificate to the individual, the agency may:

(1) use the image only:

(A) in connection with the issuance of the license, permit, or certificate; or

(B) to verify the identity of an individual as provided by Section 521.059; and

(2) disclose the image only if disclosure is expressly authorized by law.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.
Amended by:

Acts 2005, 79th Leg., Ch. 1108 (H.B. 2337), Sec. 6, eff. September 1, 2005.

Sec. 730.011. FEES. Unless a fee is imposed by law, an agency that has obtained information in connection with a motor vehicle may adopt reasonable fees for disclosure of that personal information under this chapter.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.

Sec. 730.012. ADDITIONAL CONDITIONS. (a) In addition to the payment of a fee adopted under Section 730.011, an agency may require a requestor to provide reasonable assurance:

- (1) as to the identity of the requestor; and
- (2) that use of the personal information will be only as authorized or that the consent of the person who is the subject of the information has been obtained.

(b) An agency may require the requestor to make or file a written application in the form and containing any certification requirement the agency may prescribe.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.

Sec. 730.013. RESALE OR REDISCLOSURE. (a) An authorized recipient of personal information may not resell or redisclose the personal information in the identical or a substantially identical format the personal information was disclosed to the recipient by the applicable agency.

(b) An authorized recipient of personal information may resell or redisclose the information only for a use permitted under Section 730.007.

(c) Any authorized recipient who resells or rediscloses personal information obtained from an agency shall be required by that agency to:

- (1) maintain for a period of not less than five years records as to any person or entity receiving that information and the permitted use for which it was obtained; and
- (2) provide copies of those records to the agency on request.

(d) A person commits an offense if the person violates this section. An offense under this subsection is a misdemeanor punishable by a fine not to exceed \$25,000.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.
Amended by Acts 2001, 77th Leg., ch. 1032, Sec. 7, eff. Sept. 1, 2001.

Sec. 730.014. AGENCY RULES; ORGANIZATION OF RECORDS. (a)

Each agency may adopt rules to implement and administer this chapter.

(b) An agency that maintains motor vehicle records in relation to motor vehicles is not required to also maintain those records in relation to the individuals named in those records.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.

Sec. 730.015. PENALTY FOR FALSE REPRESENTATION. (a) A person

who requests the disclosure of personal information from an agency's records under this chapter and misrepresents the person's identity or who makes a false statement to the agency on an application required by the agency under this chapter commits an offense.

(b) An offense under Subsection (a) is a Class A misdemeanor.

Added by Acts 1997, 75th Leg., ch. 1187, Sec. 1, eff. Sept. 1, 1997.

Sec. 730.016. INELIGIBILITY OF CERTAIN PERSONS TO RECEIVE

PERSONAL INFORMATION. (a) A person who is convicted of an offense under this chapter, or who violates a rule adopted by an agency relating to the terms or conditions for a release of personal information to the person, is ineligible to receive personal information under Section [730.007](#).

(b) For purposes of Subsection (a), a person is considered to have been convicted in a case if:

- (1) a sentence is imposed;
- (2) the defendant receives probation or deferred adjudication; or
- (3) the court defers final disposition of the case.

Added by Acts 2001, 77th Leg., ch. 1032, Sec. 8, eff. Sept. 1, 2001.

Refund Authority

As part of TxDMV's Sunset bill, TxDMV was given the following authority to order a refund:

Sec. 2301.807. REFUND. If, after a proceeding under this chapter and board rules, the board determines that a person is violating or has violated this chapter or a rule adopted or order issued under this chapter, the board may order the person to pay a refund to the buyer or lessee of the motor vehicle that is the subject of the proceeding.

Sec. 643.257. REFUND BY MOTOR CARRIERS TRANSPORTING HOUSEHOLD GOODS. The department may order a motor carrier that violates this chapter or a rule or order adopted under this chapter to pay a refund to a consumer who paid the motor carrier to transport household goods.

Questions for Consideration

1. How should "refund" be defined?
 - a. Should the reimbursement of expenses be considered a refund?
2. Under what circumstances should TxDMV order a licensee or registrant to provide a refund?
3. Should a refund be ordered in these scenarios?
 - a. **Dealer.** Consumer has to purchase 30-day permit(s) because dealer failed to transfer title before buyer tag expired (60 days);
 - b. **Dealer.** Consumer has to make additional payments on trade in vehicle to their lender because dealer was late in making agreed upon payoff;
 - c. **Dealer.** Consumer has to pay for safety inspection that should have been completed by the dealer;
 - d. **Dealer.** Consumer has out-of-pocket expenses because dealer failed to honor the written "WE OWE" portion of the contract;
 - i. Examples:
 1. Dealer promised 2 sets of fobs/keys for purchased vehicle and fails to provide the second set.
 2. Dealer refuses to honor limited warranty provided with purchase of vehicle.
 - e. **Dealer.** Consumer has to obtain a bonded title because dealer failed to provide title or obtain a bonded title for the consumer;
 - f. **Dealer.** Consumer is overcharged for TT&L, Documentary Fee, or other fictitious fees;
 - g. **Dealer.** Consumer purchases a third-party extended warranty offered by the dealer and the dealer does not submit the paperwork or funds. Consumer needs repairs and discovers they have no warranty.
 - h. **Household Goods.** Consumer is charged for costs not listed on their tariff after the household goods mover takes possession of the consumer's property; mover refused to unload goods until charges were paid.

Temporary Permits



Timed permits and dealer
issued permits

Timed Permits

Temporary (Timed) Permits

- ❑ There are four types of timed permits:
 - 72 Hr. Permit*
 - 144 Hr. Permit*
 - One-Trip Permit
 - 30-Day Permit
- ❑ They are issued through the following:
 - county
 - TxDMV Regional Service Center
 - *online at www.txdmv.gov using the TEMP PERMITS icon
- ❑ Temporary permits can be queried through the Texas Law Enforcement Telecommunications System (TLETS)
- ❑ Not issued to apprehended vehicles or vehicles issued a salvage or non-repairable title



History of Timed Permits

- ❑ **October 2010** – Implementation of timed permit database in RTS
 - Database allowed for real time entry of timed permit records, printing of the receipt and tag, reprinting, and inquiries
- ❑ **September 2014** - Implementation of webPERMITs (web-based system for customers to purchase timed permits)
 - Alternate method to purchase timed permits for a customer
 - Eliminated reuse of permit numbers (72/144 HR Permits) by third party vendors
- ❑ **May 2018** – New security features for Timed permits
 - Added 2-D hologram, barcode, state seal, and bezier curves
- ❑ **June 2018** - 30day and one-trip permits removed from online system
- ❑ **Today** – Continuing to identify ways to prevent fraud

webPermits – Issues Identified

Fraudulent use of Permits

- ❑ Out of State and In State customers printing multiple 30-Day or One Trip permits and selling or using for illegal activity
- ❑ Customers reproducing Permits
 - Customer misusing the reprint permit option
 - Customers potentially able to modify the pdf image of the permit

webPermits – Current Solutions

Current Solutions

- ❑ Limited the number of 30-Day permits to three per VIN with the launch of webPERMITS (September 2014)
- ❑ Limited the issuance of 30-Day permits to only Texas titled or registered vehicles (June 2016)
- ❑ Added security features to assist with identifying reproduced/fraudulent permits (April 2018)
- ❑ Locked down the pdf to prevent the ability of manipulating the file (June 2018)
- ❑ Temporarily removed the ability to reprint 30-Day and One Trip permits (June 2018)
- ❑ Temporarily stopped issuance of 30-Day and One-Trip permits until further programming changes can be made (June 2018)

webPermits – Current Solutions

- ❑ Capture of IP Address for online permit purchases (December 2018)
- ❑ The origination or destination for a One Trip Permit must be in Texas or a permit will not be issued (December 2018)
- ❑ Upon entry of a VIN in webPERMITS, a confirmation pop-up now appears prompting for verification of the vehicle year, make, and body style (December 2018)
- ❑ Query of permits by VIN via MVINet and TLETS (December 2018)
- ❑ Capture of vehicle color for temporary permits was added (September 2019)
- ❑ Effective date of the permit limited to one year from the date of issuance (September 2019)

webPermits – Future Solutions

Future Solutions

- ❑ Implementing a Texas Driver License validation prior to issuance of 30-Day and One Trip permits
- ❑ Limiting the number of One Trip permits a single vehicle can obtain
- ❑ Allow for reprinting of 30-Day and One Trip permits once programmatic limitations are made
- ❑ Prevent issuance of a 72-Hour or 144-Hour Permit for a Motorcycle
- ❑ Correct the 30-Day Permit expiration date for permits printed in Mountain time
- ❑ Default the effective date (start date) for a 30-Day Permit to the date of purchase and prevent the ability for the customer to modify the effective date

webPermits – Future Solutions

- ❑ Further enhance security features by adding wider bezier curves and a larger state seal to permits
- ❑ For webPermits, if there is no record found for the VIN entered, the information should retrieve VINA information
- ❑ Recaptcha will be used at the front of the webPermits application to prevent non-attended bots from using Web Permits

72 Hr. Permit – Key Features

TEXAS 72-HOUR PERMIT

THIS VEHICLE IS TEMPORARILY REGISTERED WITH PERMIT #

100092C

Effective Date 10-04-2017 09:53:14 AM

EXPIRES 10-07-2017 09:53:14 AM

2015 MACK

VIN: TESTV1N1234567899

ISSUED BY: FLOYD CTY

RECEIPT FOR PERMIT MUST BE CARRIED IN THE VEHICLE AT ALL TIMES
VALID IN TEXAS ONLY

Prior to May 21, 2018

As of May 21, 2018

TEXAS 72-HOUR PERMIT

THE VEHICLE TEMPORARILY REGISTERED WITH PERMIT #



100314C

2010 FRHT

Expires **MAY 19, 2018**

VIN: SAMPLEVINSAMPLEVI

ISSUED BY: WEB TEMPORARY PERMIT

VALID IN TEXAS ONLY



144 Hr. Permit – Key Features

TEXAS 144-HOUR PERMIT
THIS VEHICLE IS TEMPORARILY REGISTERED WITH PERMIT #

100095C

Effective Date 10-04-2017 10:02:33 AM

EXPIRES 10-10-2017 10:02:33 AM
2015 MACK

VIN: TESTV1N1234568799 ISSUED BY: FLOYD CTY

RECEIPT FOR PERMIT MUST BE CARRIED IN THE VEHICLE AT ALL TIMES
VALID IN TEXAS ONLY

Prior to May 21, 2018

As of May 21, 2018

TEXAS 144-HOUR PERMIT
THE VEHICLE TEMPORARILY REGISTERED WITH PERMIT #

100416C

2019 FRHT

Expires **MAY 21, 2018**

VIN: W3TQWRTWQRE

ISSUED BY: WEB TEMPORARY PERMIT

VALID IN TEXAS ONLY

One-Trip Permit – Key Features

TEXAS ONE-TRIP MC PERMIT

THIS VEHICLE IS TEMPORARILY REGISTERED WITH PERMIT #

100093C

Effective Date 10-04-2017 09:56:55 AM

EXPIRES 10-19-2017 11:59:59 PM

2014 HARLEY DAVIDSON

VIN: TESTV1N1234567899 ISSUED BY: FLOYD CTY

ORIGINATION POINT: AUSTIN, TEXAS

DESTINATION POINT: OKLAHOMA CITY, OKLAHOMA

RECEIPT FOR PERMIT MUST BE CARRIED IN THE VEHICLE AT ALL TIMES

Prior to May 21, 2018

As of May 21, 2018

TEXAS ONE-TRIP PERMIT

THE VEHICLE TEMPORARILY REGISTERED WITH PERMIT #

100448C

2012 chev

Expires **MAY 31, 2018**

VIN: SSMPLEVINSSMPLEVI

ISSUED BY: WEB TEMPORARY PERMIT



30-Day Permit – Key Features

TEXAS 30 DAY PERMIT
THIS VEHICLE IS TEMPORARILY REGISTERED WITH PERMIT #

100094C

Effective Date 10-04-2017 10:00:32 AM

EXPIRES 11-03-2017 11:59:59 PM

2016 HONDA

VIN: 1234567899TESTV1N ISSUED BY: FLOYD CTY

RECEIPT FOR PERMIT MUST BE CARRIED IN THE VEHICLE AT ALL TIMES

Prior to May 21, 2018

As of May 21, 2018

TEXAS 30 DAY PERMIT
THE VEHICLE TEMPORARILY REGISTERED WITH PERMIT #

100447C



2003 DODG

JUN 17, 2018

Expires

VIN: 1B4GW12U5DS475475

ISSUED BY: WEB TEMPORARY PERMIT



Dealer eTAGs

Dealer Issued Temporary Tags (eTAGs)

- ❑ Issued by dealer or converter
- ❑ Issued through eTAG system
- ❑ eTAGs can be queried by law enforcement through NLETS
- ❑ Tag Types:
 - Dealer or Converter Vehicle Specific Tag
 - Dealer Agent Specific Tag
 - Buyer's Tag
 - Internet Down Tag

History of Dealer Tags

- ❑ **Issuance of Temporary Permits on cardboard stock**
 - Dealers used third party vendors for cardboard stock based on specs provided by the department
- ❑ **October 2008** - Implementation of eTAGs web-based system for dealers
 - Eliminates the cardboard stock and allows on demand printing of tags on regular paper
- ❑ **April 2018** – Legacy eTAG system moved into webDEALER and new security features
 - Added 2-D hologram, barcode, state seal, and bezier curves
- ❑ **Today** – Continue to identify ways to prevent fraud

Dealer eTag – Future Solutions

- ❑ IP Address reporting
- ❑ Further enhance security features by adding wider bezier curves and a larger state seal to permits
- ❑ Dealer information to show in MVINET on all dealer eTags issued
- ❑ Entry and validation of Texas driver license or identification card number prior to issuance of eTag

Converter Vehicle Specific Tag - Key Features

TEXAS CONVERTER

THE VEHICLE TEMPORARILY REGISTERED WITH STATE UNDER TAG #

43B0391

EXPIRES **11-13-2017**

2014 FORD

VIN 1FMCU0GX5EUD02922

Prior to April 9, 2018

As of April 9, 2018

TEXAS CONVERTER

THE VEHICLE TEMPORARILY REGISTERED WITH TxDMV UNDER TAG #

02616B2

2018 FORD

Expires **APR 13, 2018**

VIN: B0GUS3

Converter: SEAGRAVE FIRE APPARATUS LLC



Dealer Vehicle Specific Tag – Key Features

TEXAS DEALER
VEHICLE OWNED BY PULLER USED CARS #2

THE VEHICLE TEMPORARILY REGISTERED WITH STATE UNDER TAG #

93Y2736

EXPIRES **10-29-2017**

2014 FORD
VIN 1FMCU0GX5EUD02921

Prior to April 9, 2018

As of April 9, 2018

TEXAS DEALER

THE VEHICLE TEMPORARILY REGISTERED WITH TxDMV UNDER TAG #

02616A9

2018 FORD

Expires **APR 13, 2018**

VIN: B0GUS2

Owned by: REAGOR-DYKES CHEVROLET



Dealer Agent Specific Tag – Key Features

TEXAS DEALER
VEHICLE OWNED BY PULLER USED CARS #2

THE VEHICLE TEMPORARILY REGISTERED WITH STATE UNDER TAG #

96M9795

EXPIRES **11-28-2017**

Authorized Agent Tag

Prior to April 9, 2018

As of April 9, 2018

TEXAS DEALER

THE VEHICLE TEMPORARILY REGISTERED WITH TxDMV UNDER TAG #



02616A8

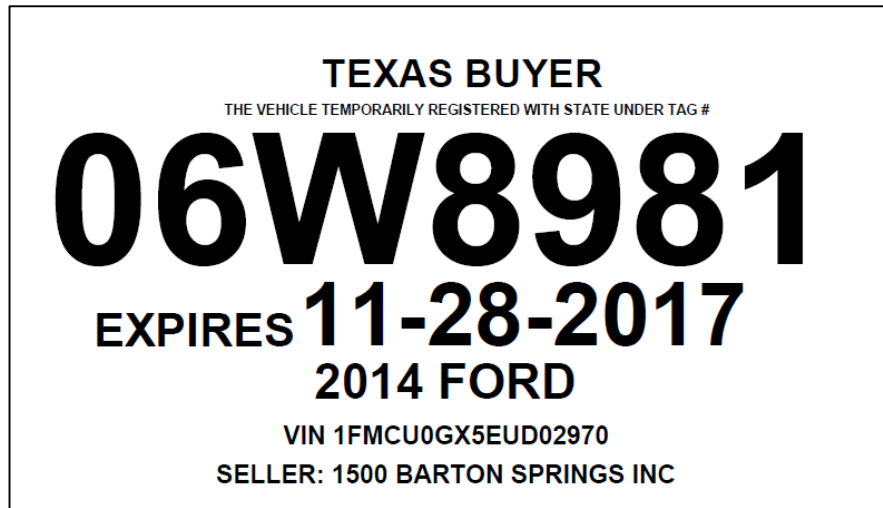
Authorized Agent Tag

Expires **APR 13, 2018**



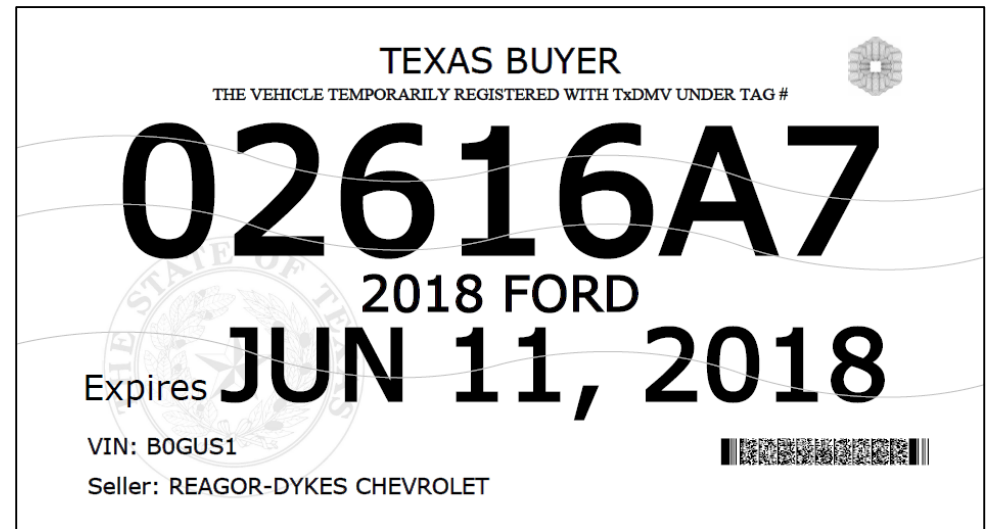
Owned by: REAGOR-DYKES CHEVROLET

Buyer's Tag – Key Features



Prior to April 9, 2018

As of April 9, 2018



Internet Down Tag – Key Features

TEXAS BUYER - INTERNET DOWN
THE VEHICLE TEMPORARILY REGISTERED WITH STATE UNDER TAG #

16N2811

EXPIRES

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VIN

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SELLER: Puller Used Cars #2

Prior to April 9, 2018

As of April 9, 2018

TEXAS BUYER - INTERNET DOWN
THE VEHICLE TEMPORARILY REGISTERED WITH TxDMV UNDER TAG #

02616B1

Expires

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Year :

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 Make:

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VIN :

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Seller: REAGOR-DYKES CHEVROLET





QUESTIONS?