Title Service Permit Programs

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Sec. 520.052. APPLICABILITY. This subchapter applies to any motor vehicle title service operating in a county:

(1) that has a population of more than 500,000; or

(2) in which the commissioners court by order has adopted this subchapter.
This Presentation is Not About:

- Full Service Deputies
- Dealer Deputies (WebDealer)
- Limited Service Deputies (WebAgent)
STRAIGHT DANGER
LICENSED TITLE SERVICE
OR
UNLICENSED TITLE SERVICE

What is the difference?
Sec. 520.053. LICENSE REQUIRED. A person may not act as a motor vehicle title service or act as an agent for that business unless that person holds a license issued under this subchapter.
Unlicensed Title Services

• When a 3rd Party submits title work at one of our offices, they are added to a centralized list on a shared drive.

• Staff are trained to check the centralized list each time a 3rd party submits title work.

• If the same 3rd Party submits title work a 2nd time, their work is turned away and they are provided with the contact information for the Permit desk.
Unlicensed Title Services
Unlicensed Title Services
Purpose of Permit Program

1. For the County to know who we are doing business with on a regular basis

2. For Dealers (GDN) or Title Services to process work in groups of transactions, when they arrive at our locations.

3. How many transactions? To be determined by your county’s needs:
   - 05 Transactions - Dallas County
   - 10 Transactions - Tarrant County
Licensed Permit Program

- What does it look like?
- Will you require permit cards?
- What documents do you need to require?
- How will you organize the records?
- Will you include an appeals process?
Multi-Transaction Boards or a Dealer Section
Example: Multi-Transaction Board

![Dealer Title Service Sign in Sheet]

<table>
<thead>
<tr>
<th>DATE: ____________________</th>
<th>Dealership / Runner Name</th>
<th>Arrival Time</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deals (Max)</td>
<td>Permit Number</td>
<td>Purple (P)</td>
<td>Yellow (Y)</td>
</tr>
<tr>
<td>Clerk's ID</td>
<td>Drawer Number</td>
<td>Start Time</td>
<td>Finish Time</td>
</tr>
</tbody>
</table>

Tax Office Use Only
Dallas County’s Dealer Section
Mesquite Branch
Dallas County’s Dealer Section
Mesquite Branch
Tarrant County’s Dealer Section
Multi-Transaction Board/Dealer Section Considerations

• Multi-Transaction Board Hours: 8:00 a.m. – 3:00 p.m.
  – Allows time to process the last hour’s Dealer transactions
  – Returns focus to public customers for last ½ hour of day

• Limited Max on transactions (Minimum of 2)

• Must have permit card with them

• Must remain on site. If they leave, their work will be set aside

• After 3:00 p.m., can walk one transaction at a time until 4:00 p.m.

• May not submit any transactions 4:00 – 4:30 p.m.

• May not also hold place in lobby line while processing at board
Sample Documents Required

**Title Services**

- Application Packet
- Original DBA
- Social Security Card (Per Transportation Code 520.056)
- ID: Driver’s License or Government Issued ID
- Payment: $25 (non-refundable for background check)
- Pictures of their Business: Address & Business Sign
- Certificate of Occupancy (from city the business operates in)
What Happens Next?

• If Approved:
  – Pay Fees
  – Background check (determined by TAC)
    • 3rd Party Company
    • Sheriff’s Office
    • DPS
    • DA’s Office
  – Permit Issued
What Happens Next?

- If Denied: Permit desk staff member documents on Application the reason for denial
  - Refund?
  - Consider not refunding Background Check fee
  - Convey denial to Title Company Owner
Types of Permit Cards

Title Services (Yellow Cards)

Dallas County Permit Number (Enter Permit number in RTS (Unit No.))

Check for Expiration Date
Types of Permit Cards, Contd.
This is Not an Approved Permit Card
This is Not an Approved Permit Card
Conflicting Boundaries to Consider

• Do they own Insurance Agency?
• Are they a licensed Insurance Agent?
• Do they work at/for licensed DPS Inspection Station?
• Do they work for a surety bond company?
• Are they a licensed Dealership?
• Cannot present Gift Transfer Affidavits
• Cannot request Change of Addresses
Permit Renewals

• Provide a 30 day notice of annual expiration of permit

• Transportation Code Sec 520.060
Replacement Considerations for Lost or Mutilated Permit Cards

- Consider in-person application for replacement
- Consider ID requirements for replacement
- Consider an additional fee
Purpose of Probationary Period
After Title Service Approved

- 45 Day - 1 Year Probationary Period

- Limited to a specific location(s)

- Request for all transactions processed during this time to be reviewed

- Coordinate with DMV to let them know you will be entering Permit Number into “unit number” space in RTS as an auditing tool (for all permit holders)
Potential Ways to Lose Permit:

- Failure to maintain or produce required documents
- Discovery of falsified information on application
- Failure to verify insurance or validity of dealership
- They own or operate in conjunction with conflicting businesses (Insurance Agency, State Inspection, etc.)
Process: Pulling a Permit

- We research/investigate

- If it is determined that a permit should be pulled . . .
  - Reach out to Permit Holder to request they meet at Administration bldg.
  - If Permit Holder does not respond, then permit is confiscated at the branch level, when work is next presented
  - Certified letter (with return receipt) sent to Permit Holder regarding revocation of Permit and/or notice of Review Board
  - Board Hearing to review and determine if permit is returned
  - Potential to be reinstated at a Review Board Hearing
  - No Board Hearing if this is 2nd time the permit is revoked
Sec. 520.059. DENIAL, SUSPENSION, OR REVOCATION OF LICENSE. (a) The county tax assessor-collector may deny, suspend, revoke, or reinstate a license issued under this subchapter.

(b) The county tax assessor-collector shall adopt rules that establish grounds for the denial, suspension, revocation, or reinstatement of a license and rules that establish procedures for disciplinary action. Procedures issued under this subchapter are subject to Chapter 2001, Government Code.

(c) A person whose license is revoked may not apply for a new license before the first anniversary of the date of the revocation.

(d) A license may not be issued under a fictitious name that is similar to or may be confused with the name of a governmental entity or that is deceptive or misleading to the public.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.
Example: Dallas County’s Review Board Hearings

• Review Board Hearing Members:
  – Sheriff (Auto Theft Taskforce)
  – MV Director or Assistant Director
  – Quality Assurance Coordinator

• TAC makes final decision based on Sheriff’s recommendation

• Review Board result sent to applicable party via certified letter
Resources

ID Card Machine & Software
• T & G Identification Systems, Inc.
• 712 W. Magnolia Ave.
• Fort Worth, TX 76104
• Contact: Eddie Johns
• 800-873-0045 x21
• eddie@tgidsys.com

File Scanning/File Management System
• Microsoft Office 365: Sharepoint
Websites

- [www.TxDMV.gov](http://www.TxDMV.gov) Texas Department of Motor Vehicles
- [www.window.state.tx.us](http://www.window.state.tx.us) State Comptroller
- [www.txdps.state.tx.us](http://www.txdps.state.tx.us) Texas Department of Public Safety
- [www.tdi.texas.gov](http://www.tdi.texas.gov) Texas Department of Insurance

These websites will assist you in keeping current with changes to laws and forms regarding titling, rules regarding taxes, Texas identification changes and verification of legitimate insurance agents.
NO MOLES WERE ACTUALLY HARMED IN THE MAKING OF THIS PRESENTATION.
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