

TRANSPORTATION CODE
CHAPTER 520. MISCELLANEOUS PROVISIONS
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 520.001. DEFINITION. In this chapter, "department" means the Texas Department of Transportation.
Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.002. LEASE OF ADDITIONAL COMPUTER EQUIPMENT. (a) This section applies only to the lease of equipment to a county for the operation of the automated registration and title system in addition to the equipment provided by the department at no cost to the county under a formula prescribed by the department.

(b) On the request of the tax assessor-collector of a county, the department may enter into an agreement with the commissioners court of that county under which the department leases additional equipment to the county for the use of the tax assessor-collector in operating the automated registration and title system in that county.

(c) A county may install equipment leased under this section at offices of the county or of an agent of the county.

(d) Equipment leased under this section:

(1) remains the property of the department; and
(2) must be used primarily for the automated registration and title system.

(e) Under the agreement, the department shall charge the county an amount not less than the amount of the cost to the department to provide the additional equipment and any related services under the lease. All money collected under the lease shall be deposited to the credit of the state highway fund.

Added by Acts 1999, 76th Leg., ch. 876, Sec. 1, eff. June 18, 1999.

SUBCHAPTER B. MOTOR NUMBER RECORD REQUIREMENTS

Sec. 520.011. MOTOR NUMBER REQUIRED FOR VEHICLE REGISTRATION; PENALTY. (a) A person may not apply to the county assessor-collector for the registration of a motor vehicle from which the original motor number has been removed, erased, or destroyed until the motor vehicle bears the motor number assigned by the department.

(b) A person commits an offense if the person violates this section. An offense under this subsection is a misdemeanor punishable by a fine of not less than \$50 and not more than \$100.
Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.012. APPLICATION FOR MOTOR NUMBER RECORD; RECORD; PENALTY. (a) To obtain a motor number assigned by the department, the owner of a motor vehicle that has had the original motor number removed, erased, or destroyed must file a sworn application with the department.

(b) The department shall maintain a separate register for recording each motor number assigned by the department. For each motor number assigned by the department, the record must indicate:

(1) the motor number assigned by the department;
(2) the name and address of the owner of the motor vehicle; and
(3) the make, model, and year of manufacture of the motor vehicle.

(c) A person who fails to comply with this section commits an offense. An offense under this subsection is a misdemeanor punishable by a fine of not less than \$10 and not more than \$100.
Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.013. PRESENTATION OF MOTOR NUMBER RECEIPT REQUIRED; PENALTY. (a) A person who receives a motor number from the department shall present the receipt received from the department for the assignment of the motor number to the county assessor-collector when the person applies for the registration of the motor vehicle.

(b) A person commits an offense if the person violates this section. An offense under this subsection is a misdemeanor punishable by a fine of not less than \$10 and not more than \$50.
Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.014. VIOLATION BY COUNTY ASSESSOR-COLLECTOR; PENALTY. (a) A county assessor-collector commits an offense if the county assessor-collector knowingly accepts an application for the registration of a motor vehicle that:

(1) has had the original motor number removed, erased, or destroyed; and
(2) does not bear a motor number assigned by the department.

(b) An offense under this section is a misdemeanor punishable by a fine of not less than \$10 and not more than \$50. Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

SUBCHAPTER C. GENERAL REQUIREMENTS RELATING TO TRANSFERS OF USED MOTOR VEHICLES

Sec. 520.021. CURRENT REGISTRATION REQUIRED. A person, whether acting for that person or another, may not sell, trade, or otherwise transfer a used vehicle required to be registered under the law of this state unless at the time of delivery the vehicle is registered in this state.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.022. DELIVERY OF RECEIPT AND TITLE TO TRANSFEREE; PENALTY. (a) A person, whether acting for that person or another, who sells, trades, or otherwise transfers a used motor vehicle shall deliver to the transferee at the time of delivery of the vehicle:

(1) the license receipt issued by the department for registration of the vehicle, if the vehicle was required to be registered at the time of the delivery; and

(2) a properly assigned certificate of title or other evidence of title as required under Chapter 501.

(b) 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 \$200.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1999, 76th Leg., ch. 1423, Sec. 5, eff. Sept. 1, 1999.

Sec. 520.0225. PERSONS ON ACTIVE DUTY IN ARMED FORCES OF UNITED STATES. (a) This section applies only to a used motor vehicle that is owned by a person who:

(1) is on active duty in the armed forces of the United States;

(2) is stationed in or has been assigned to another nation under military orders; and

(3) has registered the vehicle or been issued a license for the vehicle under the applicable status of forces agreement by:

(A) the appropriate branch of the armed forces of the United States; or

(B) the nation in which the person is stationed or to which the person has been assigned.

(b) The requirement in Section 520.021 that a used vehicle be registered under the law of this state does not apply to a vehicle described by Subsection (a). In lieu of delivering the license receipt to the transferee of the vehicle, as required by Section 520.022, the person selling, trading, or otherwise transferring a used motor vehicle described by Subsection (a) shall deliver to the transferee:

(1) a letter written on official letterhead by the owner's unit commander attesting to the registration of the vehicle under Subsection (a)(3); or

(2) the registration receipt issued by the appropriate branch of the armed forces or host nation.

(c) A registration receipt issued by a host nation that is not written in the English language must be accompanied by:

(1) a written translation of the registration receipt in English; and

(2) an affidavit, in English and signed by the person translating the registration receipt, attesting to the person's ability to translate the registration receipt into English.

Added by Acts 1999, 76th Leg., ch. 836, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.023. POWERS AND DUTIES OF DEPARTMENT ON TRANSFER OF USED VEHICLE. (a) On receipt of a written notice of transfer from the transferor of a motor vehicle, the department shall indicate the transfer on the motor vehicle records maintained by the department.

(b) The department may design the written notice of transfer to be part of the certificate of title for the vehicle. The form shall be provided by the department and must include a place for the transferor to state:

(1) the vehicle identification number of the vehicle;

(2) the number of the license plate issued to the vehicle, if any;

(3) the full name and address of the transferor;

(4) the full name and address of the transferee;

(5) the date the transferor delivered possession of

the vehicle to the transferee;

(6) the signature of the transferor; and

(7) the date the transferor signed the form.

(c) After the date of the transfer of the vehicle shown on the records of the department, the transferee of the vehicle shown on the records is rebuttably presumed to be:

(1) the owner of the vehicle; and

(2) subject to civil and criminal liability arising out of the use, operation, or abandonment of the vehicle, to the extent that ownership of the vehicle subjects the owner of the vehicle to criminal or civil liability under another provision of law.

(d) The department may adopt:

(1) rules to implement this section; and

(2) a fee for filing a notice of transfer under this section in an amount not to exceed the lesser of the actual cost to the department of implementing this section or \$5.

(e) This section does not impose or establish civil or criminal liability on the owner of a motor vehicle who transfers ownership of the vehicle but does not disclose the transfer to the department.

(f) This section does not require the department to issue a certificate of title to a person shown on a notice of transfer as the transferee of a motor vehicle. The department may not issue a certificate of title for the vehicle until the transferee applies to the county assessor-collector as provided by Chapter 501.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 30.71(a), eff. Sept. 1, 1997.

SUBCHAPTER D. TRANSFER OF TITLE AND REGISTRATION OF USED VEHICLE

Sec. 520.031. FILING BY TRANSFEREE; APPLICATION FOR TRANSFER OF TITLE AND REGISTRATION.

Text of subsec. (a) as amended by Acts 1999, 76th Leg., ch. 836, Sec. 3

(a) Not later than the 20th working day after the date of receiving the documents under Section 520.022 or 520.0225, the transferee of the used motor vehicle shall file with the county assessor-collector:

(1) the license receipt and the certificate of title or other evidence of title; or

(2) if appropriate, a document described by Section 520.0225(b)(1) or (2) and the certificate of title or other evidence of title.

Text of subsec. (a) as amended by Acts 1999, 76th Leg., ch. 1423, Sec. 6

(a) Not later than the 20th working day after the date of receiving the documents under Section 520.022, the transferee of the used motor vehicle shall file with the county assessor-collector each document received under that section.

(b) The filing under Subsection (a) is an application for transfer of title as required under Chapter 501 and, if the license receipt is filed, an application for transfer of the registration of the motor vehicle.

(c) In this section, "working day" means any day other than a Saturday, a Sunday, or a holiday on which county offices are closed.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1999, 76th Leg., ch. 836, Sec. 3, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1423, Sec. 6, eff. Sept. 1, 1999.

Sec. 520.032. TRANSFER FEE; LATE FEE. (a) The transferee of a used motor vehicle shall pay, in addition to any fee required under Chapter 501 for the transfer of title, a transfer fee of \$2.50 for the transfer of the registration of the motor vehicle.

(b) If the transferee does not file the application during the period provided by Section 520.031, the transferee is liable for a \$10 late fee to be paid to the county assessor-collector when the application is filed.

(c) The county assessor-collector and the surety on the county assessor-collector's bond are liable for the late fee if the county assessor-collector does not collect the late fee.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.033. ALLOCATION OF FEES. (a) The county assessor-collector may retain as commission for services provided under this subchapter half of each transfer fee collected and half of each late fee collected under Section 520.032.

(b) The county assessor-collector shall report and remit

the balance of the fees collected to the department on Monday of each week as other registration fees are required to be reported and remitted.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.034. PROCESSING OF APPLICATION; RULES. (a) On receipt of an application for the transfer of a certificate of title and registration, the county assessor-collector shall process the application for transfer of title as provided under Chapter 501, and the department shall issue a transfer of registration receipt when the department receives the application for transfer of registration.

(b) The department may adopt rules and prescribe forms to implement this subchapter.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.035. EXECUTION OF TRANSFER DOCUMENTS; PENALTY. (a) A person who transfers a motor vehicle in this state shall execute in full and date as of the date of the transfer all documents relating to the transfer of registration or certificate of title. A person who transfers a vehicle commits an offense if the person fails to execute the documents in full.

(b) A person commits an offense if the person:

(1) accepts a document described by Subsection (a) that does not contain all of the required information; or

(2) alters or mutilates such a document.

(c) An offense under this section is a misdemeanor punishable by a fine of not less than \$50 and not more than \$200.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 520.036. GENERAL PENALTY. (a) A person commits an offense if the person violates this subchapter in a manner for which a specific penalty is not provided.

(b) An offense under this section is a misdemeanor punishable by a fine of not less than \$50 and not more than \$200.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

SUBCHAPTER E. MOTOR VEHICLE TITLE SERVICES

Sec. 520.051. DEFINITIONS. In this subchapter:

(1) "Motor vehicle" has the meaning assigned by Section 501.002.

(2) "Motor vehicle title service" means any person that for compensation directly or indirectly assists other persons in obtaining title documents by submitting, transmitting, or sending applications for title documents to the appropriate government agencies.

(3) "Title documents" means motor vehicle title applications, motor vehicle registration renewal applications, motor vehicle mechanic's lien title applications, motor vehicle storage lien title applications, motor vehicle temporary registration permits, motor vehicle title application transfers occasioned by the death of the title holder, or notifications under Chapter 683 of this code or Chapter 70, Property Code.

(4) "Title service license holder" means a person who holds a motor vehicle title service license or a title service runner's license.

(5) "Title service record" means the written record for each transaction in which a motor vehicle title service receives compensation.

(6) "Title service runner" means any person employed by a licensed motor vehicle title service to submit or present title documents to the county tax assessor-collector.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

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.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Amended by Acts 2003, 78th Leg., ch. 448, Sec. 1, eff. Sept. 1, 2003.

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.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.054. GENERAL LICENSE APPLICATION REQUIREMENTS. (a) An applicant for a motor vehicle title service license must apply on a form prescribed by the county tax assessor-collector. The application form must be signed by the

applicant and accompanied by the application fee.

(b) An application must include:

(1) the applicant's name, business address, and business telephone number;

(2) the name under which the applicant will do business;

(3) the physical address of each office from which the applicant will conduct business;

(4) a statement indicating whether the applicant has previously applied for a license under this subchapter, the result of the previous application, and whether the applicant has ever been the holder of a license under this subchapter that was revoked or suspended;

(5) information from the applicant as required by the county tax assessor-collector to establish the business reputation and character of the applicant;

(6) the applicant's federal tax identification number;

(7) the applicant's state sales tax number; and

(8) any other information required by rules adopted under this subchapter.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.055. APPLICATION REQUIREMENTS: CORPORATION. In addition to the information required in Section 520.054, an applicant for a motor vehicle title service license that intends to engage in business as a corporation shall submit the following information:

(1) the state of incorporation;

(2) the name, address, date of birth, and social security number of each of the principal owners and directors of the corporation;

(3) information about each officer and director as required by the county tax assessor-collector to establish the business reputation and character of the applicant; and

(4) a statement indicating whether an employee, officer, or director has been refused a motor vehicle title service license or a title service runner's license or has been the holder of a license that was revoked or suspended.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.056. APPLICATION REQUIREMENTS: PARTNERSHIP. In addition to the information required in Section 520.054, a motor vehicle title service license applicant that intends to engage in business as a partnership shall submit an application that includes the following information:

(1) the name, address, date of birth, and social security number of each partner;

(2) information about each partner as required by the county tax assessor-collector to establish the business reputation and character of the applicant; and

(3) a statement indicating whether a partner or employee has been refused a motor vehicle title service license or a title service runner's license or has been the holder of a license that was revoked or suspended.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.057. RECORDS. (a) A holder of a motor vehicle title service license shall maintain records as required by this section on a form prescribed and made available by the county tax assessor-collector for each transaction in which the license holder receives compensation. The records shall include:

(1) the date of the transaction;

(2) the name, age, address, sex, driver's license number, and a legible photocopy of the driver's license for each customer; and

(3) the license plate number, vehicle identification number, and a legible photocopy of proof of financial responsibility for the motor vehicle involved.

(b) A motor vehicle title service shall keep:

(1) two copies of all records required under this section for at least two years after the date of the transaction;

(2) legible photocopies of any documents submitted by a customer; and

(3) legible photocopies of any documents submitted to the county tax assessor-collector.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.058. INSPECTION OF RECORDS. A motor vehicle title service license holder or any of its employees shall allow an

inspection of records required under Section 520.057 by a peace officer on the premises of the motor vehicle title service at any reasonable time to verify, check, or audit the records.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

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.

Sec. 520.060. LICENSE RENEWAL. (a) A license issued under this subchapter expires on the first anniversary of the date of issuance and may be renewed annually on or before the expiration date on payment of the required renewal fee.

(b) A person who is otherwise eligible to renew a license may renew an unexpired license by paying to the county tax assessor-collector before the expiration date of the license the required renewal fee. A person whose license has expired may not engage in activities that require a license until the license has been renewed under this section.

(c) If a person's license has been expired for 90 days or less, the person may renew the license by paying to the county tax assessor-collector 1-1/2 times the required renewal fee.

(d) If a person's license has been expired for longer than 90 days but less than one year, the person may renew the license by paying to the county tax assessor-collector two times the required renewal fee.

(e) If a person's license has been expired for one year or longer, the person may not renew the license. The person may obtain a new license by complying with the requirements and procedures for obtaining an original license.

(f) Notwithstanding Subsection (e), if a person was licensed in this state, moved to another state, and has been doing business in the other state for the two years preceding application, the person may renew an expired license. The person must pay to the county tax assessor-collector a fee that is equal to two times the required renewal fee for the license.

(g) Before the 30th day preceding the date on which a person's license expires, the county tax assessor-collector shall notify the person of the impending expiration. The notice must be in writing and sent to the person's last known address according to the records of the county tax assessor-collector.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.061. CRIMINAL PENALTY. (a) A person commits an offense if the person violates this subchapter or a rule adopted by the county tax assessor-collector under this subchapter.

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

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.062. INJUNCTION. (a) A district attorney of the county in which the motor vehicle title service is located may bring an action to enjoin the operation of a motor vehicle title service if the motor vehicle title service license holder or a runner of the motor vehicle title service while in the scope of the runner's employment is convicted of more than one offense under this subchapter.

(b) If the court grants relief under Subsection (a), the court may:

(1) enjoin the person from maintaining or participating in the business of a motor vehicle title service for a period of time as determined by the court; or

(2) declare the place where the person's business is located to be closed for any use relating to the business of the motor vehicle title service for as long as the person is enjoined from participating in that business.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.

Sec. 520.063. EXEMPTIONS. The following persons and their agents are exempt from the licensing and other requirements

established by this subchapter:

(1) a franchised motor vehicle dealer or independent motor vehicle dealer who holds a general distinguishing number issued by the department under Chapter 503;

(2) a vehicle lessor holding a license issued by the Motor Vehicle Board under Chapter 2301, Occupations Code, or a trust or other entity that is specifically not required to obtain a lessor license under Section 2301.254(a) of that code; and

(3) a vehicle lease facilitator holding a license issued by the Motor Vehicle Board under Chapter 2301, Occupations Code.

Added by Acts 1999, 76th Leg., ch. 1478, Sec. 2, eff. Sept. 1, 1999.
Amended by Acts 2003, 78th Leg., ch. 1276, Sec. 14A.832, eff. Sept. 1, 2003.