



MONTGOMERY COUNTY TAX ASSESSOR-COLLECTOR RULES AND REGULATIONS FOR MOTOR VEHICLE TITLE SERVICES

Effective March 8, 2010

(A) Persons that must apply for Motor Vehicle Title Service Licenses.

- 1) Pursuant to authority of Chapter 520, Subchapter E of the Texas Transportation Code, no company or individual ("person") may conduct any "motor vehicle title service" business in Montgomery County, Texas unless they are first licensed by the Montgomery County Tax Assessor-Collector.
- 2) Any person conducting business of a motor vehicle title service company must be registered and licensed by the County Tax Assessor-Collector. "Motor vehicle title service" means any person who, for compensation, directly or indirectly assists other persons in obtaining title documents by submitting, transmitting or sending applications for the title documents to the appropriate government agencies.
- 3) There are two categories of licenses that are required to do business:
 - i. A Motor Vehicle Title Service License must be obtained by the owner(s) and operator(s) of a motor vehicle title service company.
 - ii. A Title Service Runner License must be obtained for a person to act as a registered agent for a motor vehicle title service company to present motor vehicle title documents to the County Tax Assessor-Collector's office for processing.

(B) Application Process. Persons wishing to obtain a license to act as a motor vehicle title service company or as a title service runner may apply in person at the Montgomery County Tax Office located at 400 N. San Jacinto Street, Conroe, Texas, 77301. In order for licensing to be considered, applicants must submit a completed Application, supporting documentation and the payment of applicable fees, as required by the County Tax Assessor-Collector, and must present a current, valid Texas driver's license or a Texas Department of Public Safety identification card at the time they apply. Lack of a current Texas driver's license or a Texas Department of Public Safety identification card disqualifies an applicant from being licensed. The minimum age at which a person may apply for a license is 18.

(C) Vehicle Title Service License Requirements

- 1) A Vehicle Title Service License applicant shall complete the application for Vehicle Title Service License, fulfill the requirements set forth in Chapter 520 of the Transportation Code, Subchapter E, and provide a "doing business as" (DBA) certificate or articles of incorporation, banking information, a physical business address, and a current photo of the physical business location. Applications submitted with only a Post Office Box

address are incomplete and will not be processed. Vehicle Title Service License applicants must submit separate applications for each business location.

- 2) A vehicle title service company shall identify all individuals who have an ownership interest in the business. All persons with an ownership interest in a vehicle title service company are subject to the requirements of Chapter 520 of the Transportation Code, Subchapter E, and must be licensed thereunder, either individually or collectively as joint owners. Any change in ownership of the title service company, where that change amounts to more than 10% ownership of any one of the owners previously identified, shall require notification to the County Tax Assessor-Collector within 30 days of the effective date of the change in ownership and update of information on file. Failure to maintain accurate identification information shall be considered submittal of false information.
- 3) Runners must be identified and sponsored by the motor vehicle title service company in order to conduct business as a registered agent of the motor vehicle title service company. Only persons that have been awarded a motor vehicle title service license can authorize a runner. The required documents for any runner who is authorized as an agent of a title service company must be on file with each title service company for which the runner is an authorized agent.
- 4) Upon filing a completed license application, applicants will be notified by mail of the approval or rejection of their application within ten (10) working days.
- 5) A Vehicle Title Service License issued under these Rules is evidenced by a certificate of license issued by the Tax Assessor-Collector and is valid for one year. A Vehicle Title Service License issued under these Rules expires on the first anniversary of the date of issuance. A person holding a current license issued hereunder who meets the eligibility requirements for an original license may renew an unexpired license before the expiration date of the license by submitting the required applications and renewal fee. A person whose license has expired may not engage in activities that require a license until a valid license has been obtained.
- 6) 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 mailed to the person's last known address according to the records of the County Tax Assessor-Collector.
- 7) The motor vehicle license service company shall assume the responsibility for the accuracy and validity of all documents presented to the County Tax Assessor-Collector, and for any titles or other documents issued in reliance on the information submitted by the company.

(D) Title Service Runner License Requirements

- 1) A licensed motor vehicle title service company must authorize all persons who submit paperwork on its behalf to the County Tax Assessor-Collector. Persons whose names are not on file as agents of a title service company will not be allowed to conduct business on behalf of that title service company.

- 2) Title Service Runners must apply for and obtain a separate Title Service Runner License for every title service company on whose behalf a runner intends to submit paperwork to the County Tax Assessor-Collector. Individual owners and/or operators of motor vehicle title service companies that hold a current Vehicle Title Service License must also apply for and obtain a Title Service Runner License if they intend to act as a runner for their own company.
- 3) All Title Service Runner License applicants shall complete the application for a Title Service Runner License. Upon filing a completed license application, applicants will be notified by mail of the approval or rejection of their application within ten (10) working days.
- 4) A Title Service Runner License issued under these Rules is evidenced by a Tax Assessor-Collector issued Runner photo ID badge and is valid for one year. A Title Service Runner License issued under these Rules expires on the first anniversary of the date of issuance. A person holding a current license issued hereunder who meets the eligibility requirements for an original license may renew an unexpired license before the expiration date of the license by submitting the required applications and renewal fee. A person whose license has expired may not engage in activities that require a license until a valid license has been obtained.
- 5) 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 mailed to the person's last known address according to the records of the County Tax Assessor-Collector.
- 6) Any person who does not hold a license issued under these Rules and is observed conducting frequent motor vehicle title transactions on behalf of others, and who claims not to be receiving any compensation for such activities, may be required to complete an affidavit stating that he or she is not receiving compensation prior to conducting said motor vehicle title transactions.

(E) Causes for rejection of application for license or renewal or reinstatement of license. The following shall disqualify a person from being licensed under these Rules:

- 1) Submitting incomplete, false, or misleading information on the application form or any supporting documents.
- 2) Having been convicted of a felony or a crime of moral turpitude for which the completion date of the applicant's sentence is less than five years from the date of application for a license.
- 3) Having been found to have previously violated these Rules.

(F) Fees. Non-refundable fees for licenses shall be as follows:

- 1) The fee for a Vehicle Title Service Company License shall be \$200.00 for the first year and \$100 per year for each annual renewal thereafter. Failure to timely renew a license will result in additional renewal fees as described in TX Transportation Code §520.060.
- 2) The annual fee for either original or renewal of a Title Service Runner License shall be \$50.00. Title Service Runner License applicants wishing to obtain additional licenses to represent more than one Vehicle Title Service Company must submit an original application and fee for each additional license. Failure to timely renew a license will result in additional renewal fees as described in TX Transportation Code §520.060.
- 3) Persons licensed hereunder may replace a lost or stolen Tax Assessor-Collector issued Runner photo ID badge or certificate of license for a fee of \$25.00. The Office of the County Tax Assessor-Collector shall refuse to process motor vehicle title transactions for any person that does not present their current Tax Assessor-Collector issued Runner photo ID when presenting title documents for processing. Any person licensed hereunder shall immediately report any lost or stolen Tax Assessor-Collector issued Runner photo ID badges or certificates of license to the County Tax Assessor-Collector office.

(G) Policies for conducting transactions.

- 1) A Tax Assessor-Collector Title Service Transaction Form must accompany all motor vehicle title service transactions. A motor vehicle title service company officer or owner shall print and sign his or her name in the space provided, and fill in his or her company authorization number in the space provided.
- 2) The person preparing the Tax Assessor-Collector vehicle transaction form will print and sign his or her name and Texas driver's license number in the spaces provided.
- 3) All runners presenting documents at the Office of the County Tax Assessor-Collector for processing shall print and sign their names in the spaces provided. Runners shall also fill in their County Tax Assessor-Collector authorization number in the appropriate block.
- 4) In the space labeled Description of Vehicles on the Tax Assessor-Collector Title Service Transaction Form, all vehicles in which the title service company intends transactions to be processed must be accurately described and designated as transfer of ownership, renewal or replacement of license plates, or renewal or replacement of registration stickers. The vehicle make, model, year and vehicle identification number must be printed legibly. Only the vehicles authorized by a licensed motor vehicle title service company can be printed on the form. The motor vehicle title service company is responsible for the accuracy and validity of the information for each vehicle listed. Only vehicles authorized and listed by the licensed motor vehicle title service company will be processed.
- 5) After the final vehicle transaction on each transaction sheet is completed, a copy of the transaction sheet will be made and given to the runner. The original transaction sheet will remain on file at the office of the County Tax Assessor-Collector.

- 6) The Office of the County Tax Assessor-Collector shall refuse to process motor vehicle title transactions for any runner that does not present their current Tax Assessor-Collector issued Runner photo ID badge when paperwork is submitted. It shall be prohibited for any person to use another person's Tax Assessor-Collector issued Runner photo ID badge when presenting title documents at the Office of the County Tax Assessor-Collector for processing.
- 7) Any owner and/or operator of a motor vehicle title service company presenting documents at the Office of the County Tax Assessor-Collector for processing shall be subject to all policies hereunder applicable to runners, including the requirements for documentation and presentation of a Tax Assessor-Collector issued Runner photo ID badge.

(H) The Review Board.

The County Tax Assessor-Collector shall appoint a three-member Review Board to review any complaint or appeal of action for refusal, cancellation, suspension, revocation, or reinstatement of license. The Review Board shall consist of one chief deputy from the County Tax Assessor-Collector's office who deals with motor vehicle registration, one member from Montgomery County law enforcement, and one member from the Montgomery County District Attorney's Office. Participants in the Review Board shall be designated by the appropriate Department Head, as necessary.

(I) Cancellation, Suspension or Revocation of License.

- 1) The County Tax Assessor-Collector shall cancel any Motor Vehicle Title Service License or Title Service Runner's License issued when such license is obtained by submitting an application containing false or misleading information.
- 2) The County Tax Assessor-Collector Motor may cancel or suspend a Motor Vehicle Title Service License for any Motor Vehicle Title Service Company that knowingly or intentionally submits a vehicle document packet containing false or fraudulent information.
- 3) A runner is subject to license cancellation or suspension if it is determined that the runner presented a title packet to the County Tax Assessor-Collector's office that was not authorized by a licensed Motor Vehicle Title Service Company, or if it is determined that a runner altered or forged the original paperwork prepared for and signed by the motor vehicle title service company.
- 4) Upon a determination of misrepresentation, fraud, or other cause, the County Tax Assessor-Collector may order a 90-day suspension of license for the first offense and a 180-day suspension of license for the second offense. A license may be revoked upon a third offense.
- 5) The County Tax Assessor-Collector may revoke any license upon conviction of license holder for a felony or crime of moral turpitude.

- 6) The County Tax Assessor-Collector shall consider any recommendations of the Review Board, but the County Tax Assessor-Collector maintains the authority to issue the final decision related to the cancellation, suspension or revocation of license. Under Section 520.059 of the Texas Transportation Code, the County Tax Assessor-Collector may, in his/her discretion, deny, cancel, suspend, revoke, or reinstate a license issued hereunder.

(J) The Appeal Process.

- 1) If the County Tax Assessor-Collector makes a determination that a person's license hereunder should be denied, cancelled, suspended or revoked, then the County Tax Assessor-Collector shall send notice of the action to the person, by registered or certified mail, stating the facts or conduct alleged to warrant the action.
- 2) A person that receives notice of adverse action by the County Tax Assessor-Collector may submit a written request for appeal or protest, and submit evidence, in the form of documents or testimony, to demonstrate that person's compliance with all requirements for the issuance, retention, or reinstatement of their license. The person must submit evidence and/or file a written request for an appeal of action taken on their own license with the County Tax Assessor-Collector within 20 calendar days from the date of the notice of action on their license.
- 3) Upon timely filing of a request for an appeal, the County Tax Assessor-Collector shall request review by the Review Board.
- 4) The Review Board shall meet as needed, on a date determined by the County Tax Assessor-Collector. The Board will review any protests or complaints and make a recommendation to the County Tax Assessor-Collector stating whether the Board agrees or disagrees with the action taken.
- 5) A quorum of two members of the Review Board must be present to render a decision. No proxy votes will be allowed.
- 6) The County Tax Assessor-Collector shall appoint a member of the Review Board to chair meetings of the Review Board.
- 7) A majority vote of Review Board members shall determine the recommendation on matters under consideration.
- 8) All decisions related to license appeals or protests shall be subject to final review and determination by the County Tax Assessor-Collector.

(K) License Reinstatement.

- (1) The Review Board shall, to the extent possible and regardless of appeal or protest, examine all license suspensions before the end of the suspension period. The Review Board will make a recommendation to the County Tax Assessor-Collector as to whether the person should have their license reinstated.

(2) The County Tax Assessor-Collector shall consider recommendations of the Review Board, but the County Tax Assessor-Collector maintains the authority to issue the final decision related to the reinstatement of a license.

(L) The County Tax Assessor-Collector may maintain, independently or in cooperation with another County, a publicly-accessible database containing information about each licensed Motor Vehicle Title Service Company and each licensed Title Service Runner.

(M) Pursuant to TX Transportation Code § 520.061, a person commits a Class A misdemeanor offense if that person violates these Rules and Regulations or TX Transportation Code Chapter 520, Subchapter E.

(N) The County Tax Assessor-Collector reserves the right to amend these rules in his/her sole discretion and as deemed necessary.