

Subject:

Urban County News, May 12, 2016: Sample Resolution Opposing County Subsidy of Vehicle Registration and Title Services

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To All Urban Counties:

Attached is a draft resolution opposing the Texas Department of Motor Vehicles proposed rule change to limit the fees on motor vehicle registration and title services. Counties with concerns regarding the increased cost to counties of limiting the fees for vehicle registrations and title services should consider providing feedback to the TDMV.

Written comments on the proposal may be submitted to David D. Duncan, General Counsel, TDMV, 4000 Jackson Avenue, Building 1, Austin, Texas 78731 (email: rules@txdmv.gov) until 5:00pm on May 23, 2016.

The Texas Department of Motor Vehicles is proposing a new rule to impose a \$15 cap on dealer deputies and full service deputies in the Tax Assessor/Collectors office who provide motor vehicle registration services in the purchase of a vehicle.

DMV registration and title fees are supposed in an amount sufficient to cover the costs of the Tax AC, a private entity under contract with a county (grocery stores), or a deputy tax AC. Several counties report that existing fees are already inadequate to cover the cost for processing vehicle registrations in high-growth counties.

The purchaser of a new or used vehicle may visit a deputy in the county tax office to process a vehicle title for \$5 or they can pay a seller with the dealer or with a private entity to perform the service at a cost of \$20-40.

DMV proposes to limit the fee to \$5 for transferring auto registration. Auto title companies insist they will not be able to provide the service at that price. A person will need to visit the county Tax A/C office to process their title transfer, increasing the cost for the county.

Travis County estimates 1/3 of customers use these services out of convenience. The county estimates that 17 new FTEs would be needed to respond to demand, resulting in a cost increase to Travis County of approximately \$1 million per year.

Preliminary data collected by Travis County indicates other counties would be impacted as well.

Please contact me if I may be off additional assistance or provide additional information.

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