



August 3, 2017

**Registration and Title Bulletin # 006-17
Policy and Procedure**

TO: County Tax Assessor-Collectors

SUBJECT: Reassignment of Title by Insurance Companies

PURPOSE

To provide information and guidance regarding title reassignments by insurance companies.

DETAILS

Senate Bill 2076, effective September 1, 2017, amends Transportation Code, Section 501.071. The amendment requires a person or entity who is transferred ownership of a motor vehicle to obtain a title in their name prior to a subsequent ownership transfer unless the assigned owner is a licensed motor vehicle dealer.

While insurance companies continue to be exempt from dealer licensing requirements, they are not exempt from obtaining a title in their name prior to subsequent transfer. As a result, insurance companies transferred ownership of a motor vehicle as a result of a claim payment are required to obtain a title in their name prior to any subsequent ownership transfer of that vehicle no later than the 30th day after the date of assignment. The delinquent transfer penalty of \$25 for each 30 day period thereafter will apply.

Licensed motor vehicle dealers are the only entity authorized to reassign a motor vehicle in Texas prior to obtaining a title in their name. Any insurance company not licensed as a motor vehicle dealer must obtain Texas title in the name of the insurance company prior to subsequent ownership transfer.

COUNTY ACTION

Please reject any application for Texas title supported by an ownership evidence document which indicates reassignment by an insurance company in Texas on or after September 1, 2017, unless the insurance company has recorded their dealer license number on the reassignment.

The purchaser on an application rejected for this reason will need to obtain a bonded title, tax assessor-collector's hearing, or court order.

CONTACT

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeremiah Kuntz".

Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

JK:TT:JE