



December 13, 2018

Registration and Title Bulletin # 008-18 Policy and Procedure

TO: Motor Vehicle Dealers, Insurance Companies, Financial Institutions, and Salvage Pool Operators

SUBJECT: Electronic Signature Requirements

PURPOSE

To provide information regarding the requirements and acceptability of electronic signatures.

DETAILS

Senate Bill 1062, passed during the 85th Legislative Session, required the Texas Department of Motor Vehicles (TxDMV) to adopt rules by January 1, 2019, to establish a process to accept electronic signatures on secure documents. In accordance with Senate Bill 1062, the department adopted rules regarding the use of electronic signatures, which are effective January 1, 2019.

A secure document with an electronic signature may only be submitted to the county or department through webDEALER (including webSALVAGE). An electronic signature on a secure document will not be accepted if the document is physically submitted to the county tax assessor-collector's office or the department. Secure forms include the following and their out of state equivalent:

1. A secure title document,
2. *Dealer's Reassignment of Title for a Motor Vehicle* (Form VTR-41-A),
3. *Auction Sales Receipt* (Form VTR-71-1), and
4. *Power of Attorney for Transfer of Ownership to a Motor Vehicle* (Form VTR-271-A).

If a secure document is submitted through webDEALER (including webSALVAGE) initially but the transaction must be completed with physical documents, electronic signatures will not be accepted on the secure documents. The entity submitting the transaction will be required to obtain wet ink signatures on the applicable secure documents.

An electronic signature may be used on any non-secure document submitted to a county tax assessor-collector's office or the department, whether submitted electronically through webDEALER (including webSALVAGE) or physically provided on the paper document.

Electronic signatures may not be used for any reason other than the original purpose of the document signer and must be linked to their electronic records to ensure the electronic signature cannot be copied. The electronic signature must match the signer's printed name. An electronic signature physically printed or electronically affixed on any document submitted to the county tax assessor-collector's office or the department must identify the signature is an electronic signature.

The department will not certify or approve a specific electronic signature process or vendor. An entity offering an electronic signature process assumes all responsibility for the accuracy of the signature.

Any system used to electronically sign secure or non-secure documents, regardless of the method used to submit the documents, must capture and retain the name of the signer, the date, and the electronic signature of the signer. An electronic signature physically printed or electronically affixed to a document must indicate the signature is an electronic signature.

A system used to apply or capture an electronic signature or electronically sign a document must verify the identity of the user accessing the system to execute the document with an electronic signature. Access to the electronic signature system must be secure and use unique credentials for each user. The system used to capture electronic signatures must:

1. be securely maintained;
2. capture and retain the user information by providing the Internet Protocol address of the signer;
3. indicate the area(s) electronically signed on any document; and
4. retain all information provided to the system for a period of 5 years, which must be made available to the department upon request.

An electronic signature captured using a stylus, pen pad, mouse, or other physical means is not required to meet the system requirements listed above when the identity of the signer is verified in person by a licensed Texas motor vehicle dealer and identification requirements in Title 43 Texas Administrative Code, §217.5(d), are met. The electronic signature must still match the printed name and indicate the signature is an electronic signature.

STAKEHOLDER ACTION

Ensure electronic signatures meet the requirements of Title 43 Texas Administrative Code, Subchapter K. Only submit secure documents electronically signed through webDEALER (including webSALVAGE).

CONTACT

If you have any questions, please contact your local TxDMV Regional Service Center.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeremiah Kuntz", with a stylized flourish extending to the right.

Jeremiah Kuntz, Director
Vehicle Titles and Registration Division

JK:TT:EG