

November 13, 2024

Registration and Title Bulletin #004-24 Policy and Procedure

TO: All County Tax Assessor-Collectors and Insurance Companies

SUBJECT: Revised Procedure for Bonded Title Applications

PURPOSE

The purpose of this bulletin is to provide guidance on changes to the bonded title application process.

DETAILS

To ensure consistency with Texas Transportation Code, Section 501.053, Filing of Bond as Alternative to Hearing, the department adopted amendments to Texas Administrative Code, Rule 217.9, Bonded Titles. The amendments eliminate the ability for a surety bond company to certify a lien has been satisfied on the *Notice of Determination for a Bonded Title or Tax Assessor-Collector Hearing* (VTR-130-ND) or on a separate statement when a vehicle is subject to a lien of less than 10 years old.

Effective November 14, 2024, to be eligible for a bonded title, applicants must provide the original release of lien or letter of no interest from any applicable lienholder when the vehicle record indicates a lien of less than 10 years old. Applicants ineligible for a bonded title as a result of this change may obtain a court order awarding the applicant ownership of the vehicle free and clear of any lien(s). The Texas Department of Motor Vehicles should not be named as a party to any lawsuit attempting to establish ownership of a vehicle free and clear of lien(s).

The *Bonded Title Application or Tax Collector Hearing Statement of Fact* (Form VTR-130-SOF) has been revised to support this change and will be available on the department's website.

COUNTY ACTION

Do not accept a bonded title application with a VTR-130-ND issued by a Regional Service Center (RSC) on or after November 14, 2024, without the original release of lien or letter of no interest when the VTR-130-ND indicates a lien of less than 10 years old. Advise applicants who cannot provide an original release of lien or letter of no interest of their ability to pursue a court order awarding the applicant ownership of the vehicle free and clear of any lien(s). Refer applicants to the <u>Title Litigation</u> page on the department's website if they have additional questions. Continue to accept a VTR-130-ND processed by an RSC prior to November 14, 2024, that includes certification by a surety bond company of lien satisfaction.

CONTACT

If you have any questions, please contact your local TxDMV RSC.

Sincerely,

A. Duintero

Annette Quintero, Director Vehicle Titles and Registration Division Texas Department of Motor Vehicles