

AMENDMENT TO 43 ADMIN. CODE §95.1

The Harris County Tax Assessor-Collector and Voter Registrar's Office proposes amendments and additions to Chapter 95 of the Texas Administrative Code.

SECTION-BY-SECTION SUMMARY

Proposed §95.1 (a) defines terms used within Chapter 95.

Proposed §95.1 (b) establishes that all persons, and their agents, engaged in the motor vehicle title service business must be licensed. Tex. Transp. Code §520.053.

Proposed §95.1(c) sets forth the general application process to receive a motor vehicle title service/runner license. Tex. Transp. Code §520.054.

Proposed §95.1 (d) sets forth the additional information that is needed for a motor vehicle title service/runner license when the applicant is a corporation. Tex. Transp. Code §520.055.

Proposed §95.1 (e) sets forth the additional information that is needed for a motor vehicle title service/runner license when the applicant is a partnership. Tex. Transp. Code §520.056.

Proposed §95.1 (f) sets forth the identification requirements for out-of-state applicants.

Proposed §95.1 (g) establishes the relationship between motor vehicle title services and their representatives and runners who perform services for the motor vehicle title service in Harris County. Tex. Transp. Code §520.053.

Proposed §95.1 (h) lists the requirements for a person to obtain a motor vehicle title service/runner license. Tex. Transp. Code §520.059.

Proposed §95.1 (i) outlines the process HCTO will use to notify applicants about the status of their applications. Tex. Transp. Code §520.059.

Proposed §95.1 (j) sets forth the rules for rejections and denials of license applications. Tex. Transp. Code §520.059.

Proposed §95.1 (k) establishes the license fees for motor vehicle title services and their runners. Tex. Transp. Code §520.060. Tex. Transp. Code §520.060.

Proposed §95.1 (l) explains when licenses expire and how they can be renewed, provides information about fees for untimely renewals. Tex. Transp. Code §520.053.

Proposed §95.1 (m) describes the permitting and badging process for license holders. Tex. Transp. Code §520.053.

Proposed §95.1 (n) sets forth the records and recordkeeping requirements for motor vehicle title services. Tex. Transp. Code §520.059.

Proposed §95.1 (o) sets forth license holders' obligations to report information to HCTO and information related to physical inspections and audits. Tex. Transp. Code §§520.057, 520.058.

Proposed §95.1 (p) outlines the make-up of the disciplinary review board, including appointments, terms, and quorums.

Proposed §95.1 (q) outlines the review and disciplinary process used by the review board, which reviews allegations of policy or statute violations by motor vehicle title services. Tex. Transp. Code §520.059.

Proposed §95.1 (r) sets for the guidelines for suspension or revocation of licenses. Tex. Transp. Code §520.059.

Proposed §95.1 (s) provides the procedures for license reinstatement or the reconsideration of an adverse disciplinary decision.

Proposed §95.1 (t) lists persons who are exempt from licensing requirements. Tex. Transp. Code §520.063.

Proposed §95.1 (u) describes HCTO's public database for motor vehicle title services' information. Tex. Transp. Code §§520.053, 520.059.

Proposed 95.1 (v) allows HCTO to adopt additional and further policies and procedures.

Proposed §95.1 (w) allows HCTO to amend this code provision in the future.

RULE

(a) Definitions.

(1) "Convicted" means an adjudication of guilt or, except as provided by Government Code Section 411.1711, an order of deferred adjudication entered against a person by a court of competent jurisdiction whether or not the imposition of the sentence is subsequently probated and the person is discharged from community supervision. The term does not include an adjudication of guilt or an order of deferred adjudication that has been subsequently:

(A) expunged;

(B) pardoned under the authority of a state or federal official; or

(C) otherwise vacated, set aside, annulled, invalidated, voided, or sealed under any state or federal law.

(2) "Motor vehicle" means:

(A) Any motor driven or propelled vehicle required to be registered under the laws of this state;

(B) A trailer or semitrailer, other than manufactured housing, that has a gross vehicle weight that exceeds 4,000 pounds;

(C) A travel trailer;

(D) An off-highway vehicle, as defined by Section 551A.001 Transportation Code; or

(E) A motorcycle or moped that is not required to be registered under the laws of this state.

(3) "Motor vehicle title documents" means motor vehicle title applications, motor vehicle registration renewal applications, motor vehicle mechanic's lien title applications, motor vehicle storage lien title applications, motor vehicle temporary registration permits, motor vehicle title application transfers occasioned by the death of the title holder, or notifications under Chapter 683, Transportation Code or Chapter 70, Property Code.

(4) "Motor vehicle title service" means any person that, for compensation, directly or indirectly assists other persons in obtaining motor vehicle title documents by submitting, transmitting, or sending applications for motor vehicle title documents to the appropriate government agencies.

(5) "Motor vehicle title service representative" means an individual authorized by a motor vehicle title service to execute motor vehicle title documents on behalf of the motor vehicle title service.

(6) "Motor vehicle title service runner" means any person employed by a licensed motor vehicle title service to submit or present motor vehicle title documents to the Tax Assessor.

(7) "Out-of-County motor vehicle title service" means a motor vehicle title service located outside of Harris County, Texas with no offices in Harris County, but which processes more than five (5) title and/or registration transactions in a calendar year in Harris County.

(8) "Person" means an individual, partnership, company, or corporation.

(9) "Tax Assessor" means the Harris County Tax Assessor-Collector.

(10) "License holder" means, unless otherwise specified in this Chapter, a person who holds a motor vehicle title service license and a motor vehicle title service runner's license.

(b) Motor Vehicle Title Service License Required.

(1) All persons conducting motor vehicle title services or providing motor vehicle title service runner services in Harris County, must be licensed by the Tax Assessor, unless exempted by statute or this Chapter.

(2) A person may not perform any motor vehicle title services or act as a motor vehicle title service runner unless that person or entity holds a license issued by the Tax Assessor. The Tax Assessor issues the following licenses related to motor vehicle title service businesses and operations:

(A) Motor vehicle title service licenses; and

(B) Motor vehicle title service runner licenses.

(3) The Tax Assessor may, in her/his discretion, limit the number of motor vehicle title service and motor vehicle title service runner licenses that are issued.

(c) Application Process/General Requirements.

(1) This section applies to all license applicants, including all license renewals. Paragraphs (3) (D), (E), (I), (J) and (L) do not apply to applicants for motor vehicle title service runner licenses. An applicant must be at least 18 years of age to hold a license.

(2) An applicant must apply on a form prescribed by the Tax Assessor. An applicant may apply for a license at a location specified and at the times designated on the Tax Assessor's website. Applications may also be mailed to the Tax Assessor at the address indicated on its website.

(3) The application form must be signed by the applicant and the applicant must present a completed application to the Tax Assessor along with the following:

(A) The applicant's name, business address, and business telephone number;

(B) If the applicant is an individual, the individual's date of birth and authorization to work within the United States;

(C) The name under which the applicant will do business, and a copy of the assumed name certificate for each assumed name used by the applicant.

(i) A license will not be issued under a fictitious name, and

(ii) An applicant may not adopt a fictitious name that is similar to or may be confused with the name of a government entity or that is deceptive or misleading to the public;

(D) The physical address of each office from which the applicant will conduct business. If the applicant has more than one business location, the applicant will designate one location as its principal place of business. No license will be issued to a business with a post office box as its sole address or principal place of business. An applicant may not use an address as a business address if the operation of a motor vehicle title service business would violate any deed restrictions, leases, homeowner's association restrictions, zoning laws, or any other property use restrictions applicable to that address. The applicant will provide copies of applicable deed restrictions, leases, homeowner's association restrictions, zoning laws, or other property use restrictions in connection with its license application upon the request of the Tax Assessor. The Tax Assessor may also require that an applicant provide proof from a landlord, homeowner's association, or other third party that use of the property for a motor vehicle title service will not violate deed restriction, lease, homeowner's association restriction, zoning law, or other property use restrictions;

(E) A true and accurate image of the building where each office of the business is physically located showing:

(i) Permanent signage with the business name and phone number; and

- (ii) The directory showing the title service name and suite number if the office is located inside a building with more than one occupant;
- (F) A copy of the applicant's or each motor vehicle title service representatives' current Texas driver's license or Texas Department of Public Safety identification card;
- (G) A copy of the applicant's or each motor vehicle title service representatives' Social Security card that matches the name on the identification presented;
- (H) An individual with a Social Security card branded to indicate it does not authorize the individual to work must have authorization from the agency that branded the card before the card will be accepted;
- (I) The applicant's Federal Tax Identification number and a completed W-9 form;
- (J) The applicant's current, active state sales tax number;
- (K) A statement indicating whether the applicant or any motor vehicle title service representative has previously applied for a motor vehicle title service license or motor vehicle title service runner license; the result of the previous application, and whether the applicant has ever been the holder of a license that was revoked or suspended;
- (L) The name and address of applicant's bank and the applicant's bank account number;
- (M) All applicable licensing fees; and
- (N) A fingerprint based criminal history record check from the Texas Department of Public Safety dated within 90 days of the application.

The applicant shall ensure that all information and documents presented to the Tax Assessor are accurate and complete.

(d) Additional Requirements for Corporations. In addition to the general requirements for all applicants, corporations shall also provide:

- (1) A copy of the corporation's articles of incorporation showing state of incorporation and date of incorporation;
- (2) A current certificate of good standing;
- (3) The name and address of the corporation's registered agent;
- (4) The corporation's Employer Identification Number (EIN) and a completed W-9 form;

- (5) The name, address, date of birth, and social security number of each of the officers and directors of the corporation;
 - (6) Information about each officer and director as required by the Tax Assessor to establish the business reputation and character of the applicant; and
 - (7) A statement indicating whether an employee, officer, or director has been refused a motor vehicle title service license or a motor vehicle title service runner's license or has been the holder of a license that was revoked or suspended.
- (e) Additional Requirements for Partnerships. In addition to the general requirements for all applicants, partnerships shall also provide:
- (1) A copy of the partnership agreement;
 - (2) If the business is a limited partnership, a current certificate of good standing and the name and address of the registered agent;
 - (3) The name, address, date of birth, and social security number of each partner;
 - (4) The partnership's Employer Identification Number (EIN);
 - (5) Information about each partner as required by the Tax Assessor to establish the business reputation and character of the applicant; and
 - (6) A statement indicating whether a partner or employee of the business has been refused a motor vehicle title service license or a motor vehicle title service runner's license or has been the holder of a license that was revoked or suspended.
- (f) Out-of-State Applicants. In lieu of the Texas identification requirement, applicants located outside the state of Texas must provide a valid US state-issued driver's license or a valid US state-issued identification card.
- (g) Authorization Required.
- (1) A licensed motor vehicle title service must authorize all motor vehicle title service representatives and runners who will perform motor vehicle title service business on its behalf. Individuals whose names are not on file as a representative or a runner of the motor vehicle title service will not be allowed to conduct business on behalf of that motor vehicle title service. A motor vehicle title service license holder sponsors and is legally responsible for each motor vehicle title service representative and runner it authorizes to do business on its behalf.
 - (2) A motor vehicle title service shall notify the Tax Assessor's Office by email or mail within three (3) calendar days when a representative or runner is no longer authorized by that motor vehicle title service. The motor vehicle title service shall be responsible for all transactions performed on behalf of the motor vehicle title service by a runner prior to such notice.
 - (3) All motor vehicle title service runners must be employed by the motor vehicle title service that authorizes them to do business.

(h) Requirements for Motor Vehicle Title Service Runner License.

(1) All motor vehicle title service runners must complete an application on a form prescribed by the Tax Assessor and must be granted a license(s) by the Tax Assessor before the motor vehicle title service runner may perform any motor vehicle title service runner services.

(2) A motor vehicle title service license holder must identify each motor vehicle title service runner acting on its behalf on a form supplied by the Tax Assessor. A motor vehicle title service runner who does not appear in the Tax Assessor's records as an authorized runner for a motor vehicle title service will not be allowed to act as a runner for that motor vehicle title service. A licensed motor vehicle title service runner may act on behalf of more than one motor vehicle title service, but must hold a separate license for each motor vehicle title service he/she works for.

(3) Any unlicensed person who conducts motor vehicle title transactions on behalf of others may be required to complete an affidavit provided by the Tax Assessor's Office stating that the person is not receiving compensation for conducting motor vehicle title transactions. In the event a person is found to be conducting motor vehicle title transactions on behalf of others without a license, the Tax Assessor's Office may refuse to accept motor vehicle title documents from the person and make a report to an appropriate law enforcement entity.

(i) Application Approval/Denial

(1) Applicants will be notified by email and certified mail, that their applications were approved or denied within 10 business days after the submission of all information and documents necessary for the Tax Assessor to make a determination on the application. Denial letters will be sent by email, by certified mail, or another method that verifies delivery, to the address of the applicant's principal place of business as identified on the application.

(2) Incomplete applications will not be processed. An email will be sent notifying the applicant of an incomplete application. Applicants whose applications are incomplete have 30 days to correct or supplement their applications with missing information. If the missing or incomplete information is not provided to the Tax Assessor within the 30-day cure period, the application will be denied, the license fee will be retained by the Tax Assessor, and applicant will have to submit a new application and license fee to obtain a license. The 30-day cure period is calculated from the date the email is sent notifying the applicant of the incomplete application.

(j) Causes for rejection of application for license.

(1) Applications that contain false information, whether in the application or in any supporting documents, may be denied. An applicant whose application is denied for submitting false information forfeits the license fee and will be prohibited from reapplying for a license.

(2) Any of the following will also disqualify a person from being licensed and will result in the forfeiture of all licensing fees previously paid:

(A) Having been convicted of a felony or a crime of moral turpitude or deceptive business practices for which the completion date of the person's sentence, including any probationary period, is less than five years from the application date. The application of a person whose sentence was completed five or more years prior to the date of application will be considered on a case-by-case basis. In those cases, the Tax Assessor may consider the nature and seriousness of the offense, the person's age at the time of

the conviction, the time that has expired since the conviction, the relevance of the crime to the duties and responsibilities of a motor vehicle title service or a motor vehicle title service runner, the person's other criminal history, any explanation provided by the person, and any other information relevant to the application process or the duties of a licensee. The Tax Assessor shall have absolute discretion to decide whether a person is suited for licensing. For purposes of this section, the Tax Assessor may review and make a determination based on the criminal history (as described in this section) of an applicant and/or the applicant's owners, officers, directors, partners, or representatives.

(B) Engaging in violations of these administrative rules and procedures or of any other applicable law, regulation, rule or procedure, including those issued by the Texas Department of Motor Vehicles.

(C) Having outstanding or delinquent Class C misdemeanor fines, open warrants or other taxes, fines, or fees owed to any Texas county that are not paid or otherwise resolved within 30 days from the date the Tax Assessor provides the applicant with written notice of the outstanding amounts due.

(D) Having been criminally or civilly sanctioned for the unauthorized practice of law by a government or quasi-government body of competent jurisdiction.

(E) Having a license issued by the DMV revoked or suspended.

(F) Listing an address as a business address when conducting a motor vehicle title service company from that address would violate any deed restriction, lease, homeowner's association restriction, zoning law, or other property use restriction.

(G) Any other reason deemed by the Tax Assessor, in good faith, as sufficient to deny a license.

(3) A motor vehicle title service license or a motor vehicle title service runner's license may be denied if granting the license would exceed the maximum number of motor vehicle title service licenses or motor vehicle title service runner's licenses, respectively, that the Tax Assessor has agreed to issue.

(4) A person who holds a motor vehicle title service runner's license may not also be licensed as a motor vehicle title service.

(5) A person who holds a motor vehicle title service runner's license may not relinquish that license and apply to be a motor vehicle title service if the license of a motor vehicle title service that employs that runner is suspended or has had its license revoked.

(6) The Tax Assessor shall have absolute discretion to decide whether a person is issued a license.

(k) Fees. Non-refundable, annual fees for licenses shall be as follows:

(1) The fee for a motor vehicle title service license shall be \$500.00 for the first year with a renewal fee of \$500 per year each year thereafter.

(2) The annual fee for a motor vehicle title service title service runner license shall be shall be \$200.00 for the first year with a renewal fee of \$200 per year each year thereafter.

(3) The fee to replace a badge is \$25.00.

(4) All fees must be paid by certified check, money order, or business check in the name of the motor vehicle title service.

(l) Expiration and Renewal of Licenses

(1) A license issued under this chapter expires on the first anniversary of the date of issuance and may be renewed annually on or before the expiration date upon reapplication and payment of the required renewal fee.

(2) Before the 30th day preceding the date on which a person's license expires, the Tax Assessor shall notify the person of the impending expiration. The notice will be in writing and sent to the person's last known address according to the records of the Tax Assessor. Failure to send the notice under this provision does not provide any right or remedy to the license holder.

(3) A person whose license has expired may not engage in activities that require a license until the license has been renewed or a new license obtained.

(4) If a person's license has been expired for 90 days or less, the person may renew the license by paying the Tax Assessor one and one-half (1.5) times the required renewal fee.

(5) If a person's license has been expired for longer than 90 days but less than one year, the person may renew the license by paying the Tax Assessor two (2) times the required renewal fee.

(6) If a person's license has been expired for one year or longer, the person may not renew the license. The person may obtain a new license by complying with the requirements and procedures, including paragraph (j)(3) of this Chapter, for obtaining an original license. Notwithstanding the foregoing, if a person was licensed under this Chapter, moved to another state, and has been doing business in the other state for the two years preceding application, the person may renew an expired license by paying the Tax Assessor a fee that is equal to two (2) times the required license renewal fee.

(m) Permit Numbers and Badges.

(1) A motor vehicle title service shall identify all motor vehicle title service representatives it has appointed or authorized to conduct business on its behalf on a form provided by the Tax Assessor. A person whose name is not on file with the Tax Assessor as motor vehicle title service representative for a motor vehicle title service shall not conduct business on behalf of that motor vehicle title service and motor vehicle title documents signed by those persons will be returned.

(2) A person may not serve as a motor vehicle title service representative unless the person provides the Tax Assessor with a current (dated within 90 days of submission of the form) fingerprint based criminal history record check from the Texas Department of Public Safety. A person who has been convicted of any felony, crime of moral turpitude, or of deceptive business practices shall not serve as a motor vehicle title service representative if the completion date of the person's sentence (including any probationary period) is fewer than five years from the date of the appointment. A person whose sentence was completed five or more years prior to the date of appointment will be considered on a case-by-case basis. In those cases, the Tax Assessor may consider the nature and seriousness of the offense, the applicant's age at the time of the conviction, the time that has expired since the conviction, the relevance of the crime to the duties and responsibilities of a motor vehicle title service representative, the applicant's other criminal history, any explanation provided by the applicant, and any other information relevant to the

application process or the duties of a licensee. The Tax Assessor shall have absolute discretion to decide whether a person may serve as a motor vehicle title service representative.

(3) All motor vehicle title service representatives and motor vehicle title service runners shall be issued a permit number.

(4) All motor vehicle title service representatives and all motor vehicle title service runners must obtain a badge issued by the Tax Assessor which must be presented at the Tax Assessor's offices. Persons eligible for a badge will be instructed to report to a determined location on a scheduled day and time for badge processing, which shall include making a photographic or electronic image of the badge holder.

(5) Motor vehicle title service representatives and runners must pick up their badges from the Tax Assessor's office.

(6) Badges must be updated annually. Motor vehicle title service representatives and runners must have a current badge to conduct motor vehicle transactions.

(n) Records and recordkeeping.

(1) All motor vehicle title transactions for Harris County will be processed at locations specified by the Tax Assessor on its website. Only motor vehicle title documents, as that term is defined in this Chapter, will be processed. Motor vehicle title services and their runners may not present any transactions or conduct any transactions at any location other than the locations identified on the Tax Assessor's website.

(2) A holder of a motor vehicle title service license shall maintain records as required by Texas Transportation Code §520.057 on forms prescribed and made available by the Tax Assessor for each transaction in which the motor vehicle title service receives compensation. The records shall include:

(A) The date of transaction;

(B) The name, age, address, sex, driver's license number, and a legible photocopy of the driver's license for each customer; and

(C) The license plate number, vehicle identification number, and a legible photocopy of proof of financial responsibility for the motor vehicle involved.

(3) A Tax Assessor vehicle transaction form must accompany all motor vehicle title service transactions. The motor vehicle title service company representative shall print and sign the representative's name in the space provided, and fill in the representative's permit number in the appropriate space.

(4) The motor vehicle title service business and the motor vehicle title service representative who signs the transaction form are 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 will be processed.

(5) All motor vehicle motor vehicle title service runners processing documents at the office of the Tax Assessor shall print and sign their names on the vehicle transaction form in the spaces provided. Motor vehicle title service runners shall also fill in their permit number in the appropriate space.

(6) All vehicles that are the subject of a transaction must be listed and identified as transfer of ownership, renewal or replacement of license plates, registration sticker, or other transactions on the vehicle transaction form. The vehicle make, model, year, and vehicle identification number must be printed legibly in the space provided.

(7) All required forms must be filled out accurately and completely. Inaccurate or incomplete forms will be rejected and the motor vehicle title transactions associated with those forms will not be completed.

(8) All required forms must be submitted in the manner determined by the Tax Assessor. Forms that are not correctly submitted will be rejected and the motor vehicle title transactions associated with those forms will not be completed.

(9) Motor vehicle title documents that contain false or altered information will be retained by the Tax Assessor's office for review by the Review Board. If motor vehicle title documents are retained, either the purchaser or seller of the vehicle must appear at the Tax Assessor's office with corrected documents before any transaction for that vehicle will be completed.

(10) All original transaction sheets will remain on file with the Tax Assessor.

(11) A motor vehicle title service shall keep at its principal place of business:

(A) Two copies of all records required by Texas Transportation Code §520.057, including the vehicle transaction form, for at least 2 years after the date of the transaction;

(B) Legible photocopies of any documents submitted by a customer; and

(C) Legible photocopies of any documents submitted to the Tax Assessor.

(o) Reporting Procedures and Record Inspections

(1) A motor vehicle title service license holder must notify the Tax Assessor, within three calendar days, of all changes to (i) the address of its principal place of business and other business locations; and (ii) its business telephone and email addresses.

(2) A motor vehicle title service must immediately (within three calendar days) report any change of its principals, partners, owners, officers, or directors to the Tax Assessor. The information and documentation required to be furnished as part of an original license application will be required for each new or additional principal, partner, owner, officer, or director.

(3) Each motor vehicle title service must keep (i) its original license and application and (ii) a copy of each license issued to a motor vehicle title service representative or runner connected with the motor vehicle title service at its principal place of business. Each motor vehicle title service must keep copies of its license, application, and of each license/permit issued to a motor

vehicle title service representative or runner connected with the motor vehicle title service at all other business locations.

(4) A motor vehicle title service runner must notify the Tax Assessor of any changes of address and/or contact information within three calendar days of the change.

(5) A law enforcement officer or representative of the Harris County Tax Office is entitled to inspect a motor vehicle title service's records, on the premises of the principal business location of the motor vehicle title service or at any location where the motor vehicle title service does business, at a reasonable time, to verify, check, or audit the records. A motor vehicle title service shall cooperate with law enforcement and the Harris County Tax Office representatives and must permit such an inspection. Failure to cooperate with or permit an inspection, or to maintain required records, may result in the suspension or revocation of the motor vehicle title service's license.

(6) If law enforcement appears at the location listed by the motor vehicle title service as that motor vehicle title service's principal business address to conduct an inspection and the motor vehicle title service is not conducting business at the location, the Tax Assessor may, in its discretion, revoke the motor vehicle title service's license.

(7) Specific records of out-of-county motor vehicle title services may be requested for inspection. The out-of-county motor vehicle title service must send all requested records to the Tax Assessor's Office either (i) by mail, Attention: Special Investigations Unit, at 1001 Preston, Houston, TX 77002, at the expense of the out-of-county title service, with return postage prepaid, or (ii) by email. If the Tax Assessor determines that an on-site audit is necessary, an out-of-county title service will be responsible for the travel costs for two inspectors of the Tax Assessor's Office, calculated at Harris County's current county per diem rate, and including airfare and other transportation costs, meals, and lodging.

(p) The Review Board.

(1) The Tax Assessor shall appoint a five-member Review Board to review allegations of policy and statute violations, including violations of this Chapter. The Review Board shall consist of:

(A) Two (2) employees from the Tax Assessors office experienced with motor vehicle title services and/or title and registration functions or services;

(B) Two (2) members of law enforcement; and

(C) One (1) member who is active in the motor vehicle title service industry.

(2) If the Tax Assessor is unable to fill a board seat as required by section (p)(1)(B) or (C), the Tax Assessor may appoint a Harris County Tax Office employee that meets the qualifications of section (p)(1)(A) to fill that board seat.

(3) Appointments shall be for two years and shall be made in staggered terms. There are no term limitations and the Tax Assessor may reappoint board members for additional terms.

(4) A quorum of three members of the Review Board must be present to render a decision. No proxy votes will be allowed.

(5) The Tax Assessor shall appoint a member of the Review Board to chair meetings of the Review Board.

(6) A member of the Review Board who is absent for three consecutive meetings may be removed by the Tax Assessor.

(7) The Tax Assessor may remove a Review Board member for dishonesty or corruption, a demonstrated failure to maintain impartiality, using the position to obtain special treatment for the member or others, egregious or hostile treatment of parties or counsel, accepting bribes, gifts, or personal favors related to the duties of a board member, conviction of a felony or crime involving moral turpitude, an inability to discharge the duties of a board member, or for any other reason deemed by the Tax Assessor.

(8) Any vacancy created by the removal or resignation of a member shall be filled by appointment by the Tax Assessor and the new member shall be appointed to serve the remainder of the former member's term.

(q) The Review Process.

(1) The Review Board shall meet as needed on a date and at a location determined by the Tax Assessor. The Review Board will hold hearings to review any complaints or allegations made against a motor vehicle title service, and/or its representative and runners, including complaints or allegations made by the Tax Assessor, and will determine whether a motor vehicle title service and/or its representative or runners (i) falsified motor vehicle title documents or presented falsified, fraudulent, or altered motor vehicle title documents to the Tax Assessor's office, or (2) engaged in or participated in any violation of policy, procedure, or statute, including violations of this Chapter.

(2) The Tax Assessor will provide notice to the motor vehicle title service of a hearing before the Review Board. The motor vehicle title service and/or its representatives or runners may appear in person before the Review Board to present testimony and offer evidence regarding any alleged violation. The motor vehicle title service and/or its representatives or runners may be represented by counsel at the motor vehicle title service's and/or its representatives or runners' own expense. A motor vehicle title service and/or its representatives or runners may utilize the services of an interpreter at the motor vehicle title service and/or its representatives or runners' own expense.

(3) Review Board decisions are administrative in nature. Courtroom rules of evidence shall not apply; however, the Review Board chair may limit or exclude evidence that is immaterial, irrelevant, or repetitious.

(4) The standard of proof shall be by a preponderance of the evidence. Witnesses may be sworn.

(5) A majority vote of members present at a meeting of the Review Board shall determine the outcome of matters under consideration and will make recommendations to the Tax Assessor regarding any penalties that should be applied to a particular matter.

(6) A quorum of the Review Board may draft and recommend other procedural rules that are not inconsistent with this Chapter or other law.

(7) All decisions shall be subject to a final review by the Tax Assessor.

(r) Suspension or Revocation of License

(1) In addition to the other grounds for license suspension or revocation contained in this Chapter, the Review Board may recommend license suspension or revocation for a motor vehicle title service and/or a motor vehicle title service runner.

(2) The Review Board may recommend to the Tax Assessor that a license be suspended or revoked on any of the following grounds:

(A) The Review Board determines the license holder has violated any provision of this Chapter or of Title 7, Subtitle A, Chapter 520, Subchapter C of the Texas Transportation Code.

(B) The Review Board determines that the license holder has been found in violation of the Texas Department of Motor Vehicles (DMV) rules, policies, or procedures, or a license issued by the DMV has been revoked or suspended and has not been reinstated.

(C) The Review Board determines that the license holder has been criminally or civilly sanctioned for the unauthorized practice of law by a government or quasi-government body with jurisdiction to do so.

(D) The Review Board determines that a license was obtained by submitting false or misleading information.

(E) The Review Board determines that a motor vehicle title service has failed to maintain its records as required by the Texas Transportation Code or this Chapter, or a motor vehicle title service has refused to permit the Tax Assessor to conduct an inspection of the records of the motor vehicle title service in accordance with Texas Transportation Code §520.058 and/or this Chapter.

(F) The Review Board determines that the license holder has been convicted of a felony, or any crime of moral turpitude or deceptive business practice not previously disclosed in the license holder's application.

(G) The Review Board determines that the license holder has outstanding or delinquent Class C misdemeanor fines open warrants or other taxes, fines, or fees owed to any Texas county that are not paid or otherwise resolved within 30 days from the date the Tax Assessor provides the applicant with written notice of the outstanding amounts due..

(H) The Review Board determines that a license holder has submitted more than one motor vehicle title transaction to the Tax Assessor within a two-year period which contains false, misleading, or erroneous information.

(J) The Review Board determines that a motor vehicle title service runner presented a transaction to the Tax Assessor's office that was not authorized by a licensed motor vehicle title service.

(K) The Review Board determines that a motor vehicle motor vehicle title service runner altered or forged the original paperwork of a motor vehicle title service.

(L) The Review Board determines that a motor vehicle title service utilized the services of a runner who is not employed by the motor vehicle title service or whose license was suspended or revoked.

(M) The Review Board determines that the license holder has attempted to bribe an employee of the Harris County Tax Office.

(N) The Review Board determines that a license holder failed to appear at a Review Board meeting to answer complaints against the license holder.

(O) The Review Board determines a license holder violated the Harris County Building Regulations, specifically including disruption of county operations or violation of building security. Persons who violate Harris County Building Regulations are subject to removal from County facilities.

(P) The Review Board determines that a license holder has been involved in the issuance of fraudulent liability insurance.

(Q) The Review Board determines that a license holder has continued to engage in activities or conduct business requiring a license during the time the license was suspended.

(2) The Review Board may recommend that no action be taken against a license holder, that a license holder be issued a written warning from the Tax Assessor, that the license holder's license be suspended in a range from no less than 30 days or no more than 180 days (plus a 90 day extension), or that the license holder's license be revoked. In deciding what action to take, the Review Board may consider the nature of the violation, the number of violations committed, any previous discipline imposed, and any other relevant factors.

(3) The Tax Assessor shall notify a license holder of a decision by the Review Board by email and by certified mail, or another method that verifies delivery, to the address of the license holder's principal place of business as shown by the records of the Tax Assessor.

(4) All decisions of the Review Board are subject to final review by the Tax Assessor.

(s) Reinstatement of Licenses and Reconsideration of Adverse Actions.

(1) The Review Board will examine all license suspensions before the end of the suspension period. The Review Board will make a recommendation to the Tax Assessor as to whether the person's license should be reinstated or the suspension continued for an additional period of time not to exceed 90 days. The Tax Assessor shall review the Review Board's recommendation and issue a final decision.

(2) A person whose license is revoked may not apply for a new license.

(3) A person who receives notice of an adverse action taken on the person's license may submit a written request for reconsideration by the Tax Assessor and submit evidence in the form of documents and/or affidavits to demonstrate the person's compliance with all requirements for the issuance, retention, or reinstatement of the person's license. The request for review must be presented to the Tax Assessor within 15 calendar days from the date of mailing of the notice of the action taken on the person's license. The Tax Assessor may increase the time to present a request for review upon written request and for good cause, as determined in the sole discretion

of the Tax Assessor. Upon receipt of a timely request for review, the adverse action shall be stayed until a final decision is made on the license. The Tax Assessor shall render a final decision on the request for reconsideration within 30 calendar days of receipt of the request for review. A delay in rendering a final decision does not set aside, overrule, or withdraw the adverse action, which remains stayed until a final decision is rendered. If, when rendering a decision, the Tax Assessor does not find in favor of the person requesting the reconsideration, the adverse action will be reinstated.

(t) Exemptions. The following persons and their agents are exempt from the licensing and other requirements described in this administrative code:

(1) A franchised motor vehicle dealer or independent motor vehicle dealer who holds a general distinguishing number issued by the department under Texas Transportation Code Chapter 503;

(2) A vehicle lessor holding a license issued by the Motor Vehicle Board under Chapter 2301, Texas Occupations Code, or a trust or other entity that is specifically not required to obtain a lessor license under § 2301.254(a), Texas Occupations Code; and

(3) A vehicle lease facilitator holding a license issued by the Motor Vehicle Board under Chapter 2301, Texas Occupations Code

(u) Database. The Tax Assessor shall maintain a publicly accessible database containing information about each licensed motor vehicle title service and each licensed motor vehicle title service runner.

(v) Policies and Procedures. The Tax Assessor may adopt other policies and procedures that are not inconsistent with this Chapter or other law and to the extent authorized by law.

(w) Amendment. The Tax Assessor reserves the right to amend this Chapter in the future.