

FWIADA LOCAL CHAPTER NEWS



Chapter Spotlight

Officer's Message

Hello FWIADA Members,

I want to thank you for your membership and for attending the FWIADA January meeting in January. A special thanks goes to Left Lane Software for sponsoring the dinner. I plan to start meeting with you all more regularly starting in April, so keep an eye out for more information from FWIADA.

I want to make sure everyone is aware of the changes that were posted in the Dealer News from Tarrant County. For those of you who didn't receive the information here it is:

As of February 1, the office of the Tarrant County Tax Assessor-Collector is implementing the following changes:

- Dealers must now check in at the kiosk for all transaction types. If you select Dealer, you will have three options: Dealer Title Transfer, Dealer Dropoff/Pickup or Dealer VIT. If you would like to wait in our lobby for work to be completed, you will choose Dealer Title Transfer under our Dealer options.
- Dealer Drop-off/Pickup and Dealer VIT ticket types will be high-priority transaction types, and these ticket types will be called shortly after your arrival.
- All Dealer Title Transfers will be worked as first come, first served, with other transaction types, and you will be allowed to process up to three (3) transactions at a time at the window.
- All physical sign in sheets will be removed, and the clerk assisting you will add your dealership info to our digital sign in sheet.

I look forward to seeing you all again at the next meeting and at the 2024 TIADA Conference & Expo in July.

Regards,
Jerry Smith

FWIADA January 2024



Welcome Our Newest FWIADA Members

Bankers Autos
Carland Auto Group LLC
El Centro Auto Group LLC
Euromex Cars LLC
Grand Lux Motor Cars
H&M Auto Group, LLC
My Car Store
OTS Truck Centers
Stett's Autos
TX Work Trucks
Vmax Cars



July 21-23, 2024

"A Dealer-Driven Event"

Save
the
Date

Compliance Corner

OCCC Proposes Raising the Motor Vehicle Documentary Fee

The OCCC has proposed to raise the motor vehicle documentary fee from \$150 to \$225. The last time this fee was changed came in 2016. The agency has received numerous submissions from dealers ahead of the proposed rule change, which was explained in a webinar the agency held on January 30, 2024. A proposed timeline for the rule amendments indicates the rule will become effective in May of 2024.

"The doc fee is intended to compensate the dealer for costs incurred in complying with the dealer's legal responsibilities in handling and processing documents related to the sale of a vehicle," said OCCC General Counsel Matthew Nance during the webinar. "Most sellers can demonstrate costs related to documentary services of at least \$225."

SUMMARY OF RULE AMENDMENTS (FROM THE OCCC WEBSITE)

The precomment draft includes the following rule amendments to 7 Tex. Admin. Code § 84.205, which governs documentary fees for motor vehicle retail installment transactions under Chapter 348 of the Texas Finance Code:

- Amendments throughout Section 84.205 would adjust the reasonable amount of the documentary fee to \$225. The Finance Commission is authorized to establish a reasonable documentary fee amount under Section 348.006(f) of the Texas Finance Code. The Finance Commission previously set the reasonable amount to \$150 in 2016, and the amount has not been changed since 2016. Costs for dealerships have increased since 2016. The \$225 amount is within a range of documentary fees approved for a group of dealerships following a contested case before the State Office of Administrative Hearings (SOAH).
- An amendment would clarify that documentary fee costs must be determined both in accordance with generally accepted accounting principles and in accordance with Section 84.205.

- An amendment would clarify that the documentary fee may include costs of obtaining a credit report if the cost is incurred uniformly in cash and credit transactions, but may not include the cost of obtaining a credit report in unconsummated transactions.
- Amendments would replace references to the USA PATRIOT Act with references to regulations of the Office of Foreign Assets Control, in order to provide a clearer reference to federal laws that prohibit transactions with certain consumers.
- Amendments would specify that the documentary fee may include the cost of only one written contract for the sale of the motor vehicle (because only one contract is legally required).
- An amendment would remove a reference to the statement of the county of title issuance (form VTR-136). The OCCC understands that the Texas Department of Motor Vehicles (TxDMV) has stopped using this form following the passage of SB 876 (2021).
- Amendments would specify that the documentary fee may not include costs incurred while the seller's facilities are closed, and may not include costs of maintaining areas that are not involved in the processing of documents.
- Other amendments would make technical corrections and update citations.

YOU CAN WATCH THE OCCC WEBINAR HERE

HIADA and TIADA will keep you updated as things progress with the implementation of the rule amendments.

For Advertising

Opportunities Contact:

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