



## Texas Department of Motor Vehicles

# Texas Department of Motor Vehicles Dealer Licensing Overview

The Texas Department of Motor Vehicles (TxDMV) Motor Vehicle Division (MVD) issues licenses to used vehicle dealers, franchised motor vehicle dealers, salvage vehicle dealers, vehicle leasing companies, manufacturers, distributors, converters, and vehicle transit operators. Currently, MVD administers a program of more than 25,000 active licenses.

Our licensing staff typically processes an average of more than 18,500 license applications per year. This includes applications for new licenses, applications to amend existing licenses, and applications to renew licenses.

License applications are submitted via eLICENSING and assigned to a Licensing Specialist for processing. The Licensing Specialist reviews the file in detail and completes a variety of identity, affiliation, and location checks to identify possible issues:

- Checks for applications previously submitted or currently in process, including withdrawn applications, and applications previously denied or challenged.
- Reviews for current or previous disciplinary history or concerns.
- Reviews for license conflicts related to the location, as TxDMV Board rules limit the number and types of dealers at one location.
- Verifies the name and date of birth for each applicant, owner, and manager listed on the application and runs a criminal history report.
- Checks each person listed on the application for possible affiliation with any other individual or business entity that has been deemed unfit to hold a license.
- Reviews the proposed business location.
- Reviews the business name and assumed names (DBAs) through the appropriate county or the Texas Secretary of State.
- Reviews the ownership breakdown of the business and confirms that the correct business type is listed.
- Reviews that the correct payment amount was received.



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- Reviews attachments provided by the applicant:
  - Photos of the exterior and interior of the business.
  - Certificate of Responsibility in which applicant affirms all statements and documents attached are true and correct and affirms understanding that applications may be denied, or licenses revoked for falsification.
  - Ownership or lease documentation.
  - Applicant photo identification.
  - Assumed name or DBA certificates.
  - Surety bond.
  - Documents confirming compliance with all local zoning ordinances and deed restrictions.
  - A completion certificate from an approved dealer licensing education program (if required).

Prior to approval, license applications are further evaluated based on established criteria. Peers, senior licensing specialists, or management staff perform these reviews and a licensing committee evaluates applications involving individuals with a criminal history or other potentially disqualifying issues. Applicants are required to provide information about all crimes resulting in convictions or deferred adjudications regardless of when the crimes occurred.

The Motor Vehicle Division reviews the criminal history of an applicant before issuing or renewing a license and before amending a license due to changes in ownership or management. Occupations Code, Chapter 53, Subchapter D, and various TxDMV Board rules in the Texas Administrative Code govern criminal history review and fitness for licensing. More information related to the fitness review process, including a listing of qualifying offenses, is available on the Texas Department of Motor Vehicles website at <https://www.txdmv.gov/dealers/criminal-history-review-process>.