

Refund Authority

As part of TxDMV's Sunset bill, TxDMV was given the following authority to order a refund:

Sec. 2301.807. REFUND. If, after a proceeding under this chapter and board rules, the board determines that a person is violating or has violated this chapter or a rule adopted or order issued under this chapter, the board may order the person to pay a refund to the buyer or lessee of the motor vehicle that is the subject of the proceeding.

Sec. 643.257. REFUND BY MOTOR CARRIERS TRANSPORTING HOUSEHOLD GOODS. The department may order a motor carrier that violates this chapter or a rule or order adopted under this chapter to pay a refund to a consumer who paid the motor carrier to transport household goods.

Questions for Consideration

1. How should "refund" be defined?
 - a. Should the reimbursement of expenses be considered a refund?
2. Under what circumstances should TxDMV order a licensee or registrant to provide a refund?
3. Should a refund be ordered in these scenarios?
 - a. **Dealer.** Consumer has to purchase 30-day permit(s) because dealer failed to transfer title before buyer tag expired (60 days);
 - b. **Dealer.** Consumer has to make additional payments on trade in vehicle to their lender because dealer was late in making agreed upon payoff;
 - c. **Dealer.** Consumer has to pay for safety inspection that should have been completed by the dealer;
 - d. **Dealer.** Consumer has out-of-pocket expenses because dealer failed to honor the written "WE OWE" portion of the contract;
 - i. Examples:
 1. Dealer promised 2 sets of fobs/keys for purchased vehicle and fails to provide the second set.
 2. Dealer refuses to honor limited warranty provided with purchase of vehicle.
 - e. **Dealer.** Consumer has to obtain a bonded title because dealer failed to provide title or obtain a bonded title for the consumer;
 - f. **Dealer.** Consumer is overcharged for TT&L, Documentary Fee, or other fictitious fees;
 - g. **Dealer.** Consumer purchases a third-party extended warranty offered by the dealer and the dealer does not submit the paperwork or funds. Consumer needs repairs and discovers they have no warranty.
 - h. **Household Goods.** Consumer is charged for costs not listed on their tariff after the household goods mover takes possession of the consumer's property; mover refused to unload goods until charges were paid.