



February 24, 2025

## URGENT ACTION REQUIRED: Motor Vehicle Dealers

House Bill (HB) 718, effective **July 1, 2025**, eliminates the issuance of several types of paper temporary permits and dealer tags and requires motor vehicle dealers to use webDEALER and to monitor and maintain their own supply of metal license plates.

### What is changing on July 1, 2025?

- **Mandatory Use of webDEALER:** Licensed dealers must process vehicle title and registration transactions electronically using the Texas Department of Motor Vehicles (TxDMV) webDEALER system. Dealers must be enrolled in webDEALER to receive their inventory of metal license plates and will not be able to process sales transactions outside webDEALER after July 1.
- **Issuing Metal License Plates:** Dealers are required to manage an inventory of metal license plates that will be provided to buyers at the time of sale.
- **Inventory Management:** Dealers are required to store their allocated inventory of metal license plates in a locked room, closet, or one or more securely locked, substantially constructed safes or steel cabinets bolted to the floor or wall. Dealers must also control employee access to the storage location.
- **Plate Retention:** License plates will remain with the vehicle when bought, sold, or transferred. Dealers must secure these plates and ensure they are used with the assigned registered vehicle.
- **Vehicle Transfer Notification:** A Vehicle Transfer Notification (VTN) must be filed electronically for every Texas-titled vehicle that is purchased by the dealer: [www.TxDmv.gov/osp-vehicle-transfer-notification](http://www.TxDmv.gov/osp-vehicle-transfer-notification)

### What do dealers need to do now?

- **Access webDEALER:** Dealers without webDEALER access should immediately contact their county tax assessor-collector's offices to gain access and begin using the system to process transactions.
- **Complete webDEALER Training:** Dealers required to complete webDEALER training should enroll **NOW**. Training should be completed by April 30, 2025. Dealers who complete webDEALER training by this date will receive plates in advance of those who have not completed the training.

### Upcoming deadlines:

- **April 2025:** Dealers with webDEALER access may begin receiving metal license plate inventory.
- **April 30, 2025:** Current dealers should complete webDEALER training unless they have had access to webDEALER for more than six months and submitted more than 100 transactions in webDEALER as of October 1, 2024.
- **July 1, 2025:** Dealers will **NOT** be able to complete sales transactions without using webDEALER and issuing metal license plates.

**Act NOW to ensure the continuity of your business operations**

### Resources:

- **More Information:** [www.TxDmv.gov/HB718](http://www.TxDmv.gov/HB718)
- **webDEALER Training:** [www.TxDmv.gov/webDEALER](http://www.TxDmv.gov/webDEALER)