

OCCC CASE NO. L25-046

IN THE MATTER OF:	§	BEFORE THE
MASTER FILE NO.: 2400077498	§	
JOSE G. ALVARADO	§	OFFICE OF CONSUMER
& VELMA L. ALVARADO	§	
d/b/a JOE'S AUTO SALES & SERVICE	§	CREDIT COMMISSIONER
658 ALDINE MAIL RT. RD.	§	
HOUSTON, TEXAS 77037	§	STATE OF TEXAS

**ORDER TO CEASE AND DESIST UNLICENSED ACTIVITY, TO TAKE  
AFFIRMATIVE ACTION, AND TO MAKE RESTITUTION**

The Office of Consumer Credit Commissioner ("OCCC") issues this Order to Cease and Desist Unlicensed Activity, to Take Affirmative Action, and to Make Restitution against Jose G. Alvarado & Velma L. Alvarado d/b/a Joe's Auto Sales & Service ("Joe's Auto Sales"), based on the violations of law described below.<sup>1</sup>

**Statement of Facts and Law**

Under Chapter 348 of the Texas Finance Code, a person must hold a motor vehicle sales finance license issued by the OCCC in order to act as a holder of a motor vehicle retail installment contract.<sup>2</sup> A holder includes a dealer that sells motor vehicles and agrees to accept the cash price in one or more deferred installments.<sup>3</sup> A person who does not hold a Chapter 348 license (or another authorization to act as a holder) may not collect payments on motor vehicle retail installment contracts, and may not indirectly collect payments by repossessing motor vehicles or selling repossessed motor vehicles.<sup>4</sup>

Joe's Auto Sales is a motor vehicle dealer that does not hold a license with the OCCC. Joe's Auto Sales is located at 658 Aldine Mail Rt. Rd., Houston, Texas 77037. The assumed name "Joe's Auto Sales & Service" is registered to Jose G. Alvarado and Velma L. Alvarado in Harris County, Texas.

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<sup>1</sup> Tex. Fin. Code §§ 14.208, 14.251.

<sup>2</sup> Tex. Fin. Code § 348.501.

<sup>3</sup> Tex. Fin. Code § 348.001(3), (7), (8).

<sup>4</sup> Tex. Fin. Code §§ 348.001(3), (7), (8), 348.501.

In January 2024, the OCCC received information from the Texas Comptroller of Public Accounts indicating potential unlicensed financing of motor vehicles by Joe's Auto Sales. Based on this information, in February 2024, the OCCC conducted an onsite investigation of the records of Joe's Auto Sales. The OCCC identified 14 motor vehicle sales in which buyers agreed to pay the cash price of the vehicle (in addition to tax, title, and license fees) in deferred installments. The transactions were entered between June 18, 2020, and July 26, 2023. In addition, Joe's Auto Sales recorded itself as a first lienholder in at least six motor vehicle sales.

In May 2024, Joe's Auto Sales filed an application for a motor vehicle sales finance license with the OCCC. The application was assigned master file number 2400077498 and application ID number 109855. The application lists Jose G. Alvarado as the compliance officer for Joe's Auto Sales, and lists Jose G. Alvarado and Velma L. Alvarado as owners. The OCCC requested items necessary to file a complete license application, including complete statements of experience, confirmation of the entity's name, and information about pending criminal indictments against Jose G. Alvarado and Velma L. Alvarado for forgery on title documents.<sup>5</sup> The OCCC ultimately denied Joe's Auto Sales' license application due to failure to provide the necessary information and documents.<sup>6</sup>

## **Authority**

If the Consumer Credit Commissioner ("Commissioner") has reasonable cause to believe that a person is violating Chapter 348 of the Texas Finance Code, the Commissioner may issue an order to cease and desist from the violation, to take affirmative action, or both to ensure compliance.<sup>7</sup> The Commissioner may order a person who violates Chapter 348 or its implementing rules to make restitution to an identifiable person.<sup>8</sup> In addition, if the OCCC has reasonable cause to believe that a person is violating Chapter 348, then the OCCC may conduct an investigation to discover a violation or obtain required information.<sup>9</sup>

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<sup>5</sup> See *State v. Jose Guadalupe Alvarado*, cause no. 184218301010, Harris County District Court, 180th Judicial District; *State v. Velma Lee Alvarado*, cause no. 184218601010, Harris County District Court, 180th Judicial District.

<sup>6</sup> 7 Tex. Admin. Code §§ 84.602, 84.608, 84.613.

<sup>7</sup> Tex. Fin. Code § 14.208(a).

<sup>8</sup> Tex. Fin. Code § 14.251(b).

<sup>9</sup> Tex. Fin. Code §§ 14.202, 348.515.

The Commissioner has reasonable cause to believe that Joe's Auto Sales has violated Chapter 348 of the Texas Finance Code by acting as a holder in motor vehicle retail installment transactions without a motor vehicle sales finance license.

## Order

IT IS ORDERED that:

1. Joe's Auto Sales must comply with, and cease and desist from violating, the motor vehicle sales finance license requirement found in Section 348.501 of the Texas Finance Code.
2. Joe's Auto Sales must cease and desist entering into new transactions in which it agrees to accept the cash price of a motor vehicle in one or more deferred installments. Joe's Auto Sales must cease and desist accepting credit applications.
3. Joe's Auto Sales must cease and desist advertising motor vehicle retail installment transactions. Joe's Auto Sales must remove any advertisements (including any physical signs and any material on a website) suggesting that Joe's Auto Sales will finance vehicles, that consumers may apply for credit, or that consumers may pay for vehicles in more than one payment.
4. Joe's Auto Sales must cease and desist collecting payments on existing motor vehicle retail installment transactions. Joe's Auto Sales must cease and desist repossessing vehicles, and must cease and desist selling repossessed motor vehicles.
5. Joe's Auto Sales must allow the OCCC to conduct an investigation of the records of the business.
6. **No later than 30 days after the date of this Order**, Joe's Auto Sales must perform a self-review and identify each motor vehicle retail installment transaction that Joe's Auto Sales entered or accepted payments on, including each sale of a motor vehicle in which:
  - a. Joe's Auto Sales entered a retail installment contract;
  - b. a buyer applied for credit through an application provided by Joe's Auto Sales;
  - c. Joe's Auto Sales accepted payments in one or more deferred installments; or

- d. Joe's Auto Sales held a lien.
7. **No later than 30 days after the date of this Order**, Joe's Auto Sales must refund any finance charges that it charged or received from any retail buyer.
  8. **No later than 30 days after the date of this Order**, Joe's Auto Sales must release any liens that are currently filed on any motor vehicles in Joe's Auto Sales' name. Joe's Auto Sales may not charge a fee to any buyer for releasing these liens.
  9. **No later than 30 days after the date of this Order**, Joe's Auto Sales must identify each retail installment transaction that it assigned to another person.
  10. **No later than 30 days after the date of this Order**, Joe's Auto Sales must create a Microsoft Excel spreadsheet named "L25-046\_JoseGAlvarado." The spreadsheet must clearly list the total amount of refunds provided to buyers. In addition, the spreadsheet must list each transaction for which Joe's Auto Sales provided refunds, each transaction for which Joe's Auto Sales released a lien, and each transaction that Joe's Auto Sales assigned to another person. The spreadsheet must include a row for each buyer and the following columns:
    - a. Account number
    - b. First and last name of buyer
    - c. Date of retail installment transaction
    - d. Dollar amount of finance charge
    - e. Dollar amount of finance charge refunded to the buyer
    - f. Date of the refund
    - g. Form of the refund (i.e., check for closed account, and credit for open account)
    - h. Date on which Joe's Auto Sales released the lien, if applicable
    - i. Name of any person that Joe's Auto Sales assigned the transaction to, if applicable
  11. **No later than 30 days after the date of this Order**, Joe's Auto Sales must provide a copy of the spreadsheet to the OCCC. The spreadsheet must be sent by email to Vivek Vedanarayanan at [vivek.vedanarayanan@occc.texas.gov](mailto:vivek.vedanarayanan@occc.texas.gov).

12. Joe's Auto Sales must retain transaction records for each loan or other credit transaction, including copies of any refund checks and any ledgers showing account credits, until the later of the following:
- a. the fourth anniversary of the date of the transaction; or
  - b. the second anniversary of the date on which the final entry is made in the record.

### **Violation of Order**

If you violate this Order, the OCCC may impose an administrative penalty of up to \$1,000 for each day.<sup>10</sup>

### **Right to Request Hearing**

You have the right to request a hearing regarding this Order.<sup>11</sup> To request a hearing, you must send a written hearing request to the OCCC no later than 30 days after the date of this Order.<sup>12</sup> You must send your request to Vivek Vedanarayanan, Assistant General Counsel, by mail to 2601 N. Lamar Blvd., Austin, TX 78705, or by email to [vivek.vedanarayanan@occc.texas.gov](mailto:vivek.vedanarayanan@occc.texas.gov).

If you request a hearing, a hearing will be set and conducted in accordance with Chapter 2001 of the Texas Government Code.<sup>13</sup> If you fail to request a hearing by this deadline, the Order will be considered final and enforceable.<sup>14</sup>

All communications with the OCCC concerning this matter must be through Vivek Vedanarayanan, Assistant General Counsel, who may be contacted by mail at 2601 N. Lamar Blvd., Austin, TX 78705, by telephone at 512-936-7623, or by email to [vivek.vedanarayanan@occc.texas.gov](mailto:vivek.vedanarayanan@occc.texas.gov).

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<sup>10</sup> Tex. Fin. Code § 14.208(c).

<sup>11</sup> Tex. Fin. Code § 14.208(b).

<sup>12</sup> Tex. Fin. Code § 14.208(b).

<sup>13</sup> Tex. Fin. Code § 14.208(b).

<sup>14</sup> Tex. Fin. Code § 14.208(c).

Signed this 7th day of May, 2025.

/s/Leslie Pettijohn  
Leslie L. Pettijohn  
Consumer Credit Commissioner  
State of Texas

## CERTIFICATE OF SERVICE

I certify that on May 7, 2025, a true and correct copy of this Order to Cease and Desist Unlicensed Activity, to Take Affirmative Action, and to Make Restitution has been sent to Jose G. Alvarado & Velma L. Alvarado d/b/a Joe's Auto Sales and Service by the following:

Jose G. Alvarado & Velma L. Alvarado    ☒ email  
d/b/a Joe's Auto Sales & Service  
Attn: Jose Alvarado, Compliance    ☐ eFileTexas.gov electronic service  
Officer  
658 Aldine Mail Rt. Rd.    ☒ regular mail  
Houston, TX 77037  
velma.alvarado@outlook.com    ☒ certified mail, return receipt requested  
dragonfly0055@yahoo.com    #9214 8901 9403 8300 0012 7624 14

Jose G. Alvarado & Velma L. Alvarado    ☒ email  
d/b/a Joe's Auto Sales & Service  
Attn: Joe's Auto Sales & Service,    ☐ eFileTexas.gov electronic service  
Registered Agent  
658 Aldine Mail Rt. Rd.    ☒ regular mail  
Houston, TX 77037  
velma.alvarado@outlook.com    ☒ certified mail, return receipt requested  
#9214 8901 9403 8300 0012 7624 21

/s/Vivek V. Vedanarayanan  
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Office of Consumer Credit Commissioner  
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