

1 **SUBCHAPTER C. REGISTRATION AND TITLE SYSTEMS**

2 **43 TAC §217.75**

3 **1. INTRODUCTION.** The Texas Department of Motor Vehicles (department) proposes new section 43 TAC
4 §217.75 concerning required training for a person performing registration or titling services through the
5 department's registration and title system (RTS). This new section is necessary to implement
6 Transportation Code, §520.023 as added by Senate Bill 604, 86th Legislature (2019), which requires the
7 department to implement a training program regarding the department's automated registration and
8 titling system and the identification of fraudulent activity. Senate Bill 604 requires the department to
9 adopt rules to implement the training program required under Transportation Code, §520.023 by
10 December 1, 2019.

11 **2. EXPLANATION OF PROPOSED NEW SECTION.**

12 Proposed new §217.75(a) establishes the requirement that a department employee, department
13 contractor, county tax assessor-collector employee, or full service deputy as defined by §217.162(6) must
14 complete training regarding transactions performed in RTS and identification of fraudulent activity related
15 to motor vehicle registration and titling. The definition of full service deputy includes an individual who
16 is employed, hired, or otherwise engaged by the full service deputy to serve as the deputy's agent in
17 performing motor vehicle titling, registration, or registration renewal services. Proposed new §217.75(b)
18 specifies that the department will make the training available for county tax assessor-collector employees
19 or full service deputies through the department's online training system. Proposed new §217.75(c)
20 clarifies how a county tax assessor-collector employee or full service deputy may satisfy the training
21 regarding RTS. Specifically, a county tax assessor-collector employee or full service deputy must pass each
22 training course associated with the permissions the person is assigned in RTS. To accomplish this, the
23 county employee or official with an administrative role in RTS, whether that person is the county tax

1 assessor-collector or county tax assessor-collector system administrator, must create accounts for and
2 assign RTS permissions to each employee or full service deputy who will be given access to RTS based on
3 that person's job duties. The department will assign training content for specific permissions in RTS. A
4 person must take the required training using the person's assigned training identifier for the department's
5 online training system. The department will enable a permission once the required training for the
6 assigned permission has been completed. This process will ensure verification of training before a person
7 is able to access RTS. The system administrator does not need to complete the required training to create
8 accounts and assign permissions; however, if the system administrator wants access to RTS, the system
9 administrator must complete the training required by this section.

10 A person who is processing transactions on or before the effective date of the rule will have until
11 August 31, 2020 to complete the required training. This will allow existing staff approximately eight
12 months to complete training depending on the effective date of the rule. Similarly, a person who is
13 processing transactions when new training is made available after August 31, 2020 will have 90 days to
14 complete new required training. The proposed subsection also provides a limited exception to the 90-
15 day time-limit to complete new training. For any new training made available after August 31, 2020, a
16 county employee may have an extended period of time to take the new training if the county tax assessor-
17 collector at the place of employment determines that: 1. The employee is on leave the date the new
18 training is made available, is on leave for at least 90 contiguous days thereafter and misses the window
19 to take the new training prior to their access being turned off, and is on leave due to circumstances beyond
20 the employee's control. The county tax assessor-collector must make the determination that all of the
21 factors in §217.75(c)(6) are met prior to giving access to the employee when they return from leave for
22 the additional contiguous 14 days. These deadlines should provide sufficient time for existing staff to
23 complete training without unduly interfering with that person's workload. A person who is assigned

1 permissions after the effective date of the rule or after new training is created must complete all required
2 training before the permissions are enabled. This requirement is reasonable because a new employee
3 will likely have no experience with RTS and will have more time available to dedicate to training. Finally,
4 proposed new §217.75(d) provides that the department will disable a permission if a person fails to
5 complete the training required for that permission.

6 In conjunction with this rule, the department is also reconfiguring its internal systems to conform
7 to the new requirements under the proposed rule. Therefore, the effective date of the rule may be
8 extended to correspond with completion of the programming necessary to fully implement the rule.

9 **3. FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT.** Linda M. Flores, Chief Financial Officer,
10 has determined that for each year of the first five years the new section will be in effect, there will be no
11 significant fiscal impact to state or local governments as a result of the enforcement or administration of
12 the proposal, other than any imposed by the statute. The required training currently exists and is provided
13 to counties through the department's online training system. The required training is provided free of cost
14 to the counties. While the department may incur nominal additional costs verifying training and enabling
15 permissions, the department anticipates it will be able to absorb these costs. Any change in revenue or
16 expenditures is the result of the amended statute and not the rule. Jeremiah Kuntz, Director of the Vehicle
17 Titles and Registration Division, has determined that there will be no measurable effect on local
18 employment or the local economy as a result of the proposal.

19 **4. PUBLIC BENEFIT AND COST NOTE.** Mr. Kuntz has also determined that, for each year of the first five
20 years the new section is in effect, the public benefits anticipated include ensuring all people who perform
21 registration and titling transactions in RTS will be trained consistently on how to use the system and
22 identify fraud, in turn leading to greater efficiency and accuracy for consumers, an increased ability to

1 detect and prevent fraudulent transactions, and greater assurance RTS is used appropriately, and the
2 records are accurate.

3 Anticipated Costs To Comply With The Proposal. Mr. Kuntz anticipates that there will be minimal
4 costs to comply with this rule. Training currently exists and is provided to counties through the
5 department's online training system at no cost to counties. The department currently updates existing
6 training and creates new training as needed, so costs associated with this will be absorbed by the
7 department. The department will continue to provide access to the training through the department's
8 online training system at no cost to the counties. The time required to complete training varies by training
9 module; however, it is self-paced and can be taken in a manner conducive to county operations. Counties
10 are currently allocated one training account per RTS workstation assigned to the county. There are 254
11 counties with varying number of personnel and workstations per office. The cost associated with taking
12 training will vary by county based on the number of employees that have not currently taken available
13 training. The department does not anticipate requests for additional training accounts as a result of this
14 rule. Counties are in the best position to determine costs associated with taking training.

15 **5. ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS.** The department has
16 determined there will be no impact on small businesses, micro-business, or rural communities as a result
17 of implementing this rule. Therefore, the department is not required to prepare a regulatory flexibility
18 analysis as specified in Government Code, §2006.002.

19 **6. TAKINGS IMPACT ASSESSMENT.** The department has determined that no private real property
20 interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to
21 property that would otherwise exist in the absence of government action and, therefore, does not
22 constitute a taking or require a takings impact assessment under the Government Code, §2007.043.

1 **7. GOVERNMENT GROWTH IMPACT STATEMENT.** The department has determined that during the first
2 five years the proposed new section is in effect, no government program would be created or eliminated.
3 Implementation of the proposed new section would not require the creation of new employee positions
4 or elimination of existing employee positions. Implementation would not require an increase or decrease
5 in future legislative appropriations to the department or an increase or decrease of fees paid to the
6 department. The proposed new section will create a new regulation in §217.75 to implement Senate Bill
7 604. The proposed new section does not affect the number of individuals subject to the rule's applicability
8 and will not affect this state's economy.

9 **8. REQUEST FOR PUBLIC COMMENT.**

10 If you want to comment on the proposal, submit your written comments by 5:00 p.m. CST on
11 September 23, 2019. A request for a public hearing must be sent separately from your written comments.
12 Send written comments or hearing requests by email to rules@txdmv.gov or by mail to Office of General
13 Counsel, Texas Department of Motor Vehicles, 4000 Jackson Avenue, Austin, Texas 78731. If a hearing is
14 held, the department will consider written comments and public testimony presented at the hearing.

15 **9. STATUTORY AUTHORITY.** The new section is proposed under Transportation Code, §1002.001, which
16 provides the board of the Texas Department of Motor Vehicles with the authority to adopt rules that are
17 necessary and appropriate to implement the powers and the duties of the department; and more
18 specifically, Transportation Code, §520.021, which authorizes the department to adopt rules and policies
19 for the maintenance and use of the department's automated registration and titling system; and
20 Transportation Code, §520.023, which requires the department to implement a training program
21 providing information on the department's automated registration and titling system and identification
22 of fraudulent activity related to vehicle registration and titling.

23 **10. CROSS REFERENCE TO STATUTE.** Transportation Code, §520.021 and §520.023.

1 **11. TEXT.**

2 **Subchapter C. Registration and Title Systems**

3 **43 TAC §217.75**

4 §217.75. Required Training on the Registration and Title System and Identification of Fraud.

5 (a) Required training. A person performing registration or titling services through RTS,
6 including a department employee, department contractor, county tax assessor-collector employee,
7 or full service deputy as defined by §217.162(6) of this title (relating to Definitions), must complete
8 a training program as prescribed by this section. Required training will include, at a minimum:

9 (1) training regarding transactions performed in RTS; and

10 (2) identification of fraudulent activity related to vehicle registration and titling.

11 (b) Online training. The department will make required training for county tax assessor-
12 collector employees and full service deputies available through the department's online training
13 system.

14 (c) Registration and Title System training for county tax assessor-collector staff and full service
15 deputies. To satisfy the training requirements under subsection (a)(1) of this section, a county tax
16 assessor-collector employee or full service deputy must pass each training course associated with the
17 permissions that person is assigned in RTS.

18 (1) A county tax assessor-collector or county tax assessor-collector's system administrator
19 must create accounts for and assign permissions in RTS to each employee or full service deputy who will
20 be given access to RTS based on that person's job duties as determined by the county tax assessor-
21 collector or the county tax assessor-collector's system administrator.

22 (2) The department will assign training content for specific permissions in RTS.

1 (3) A person must take required training using the person's individually assigned
2 training identifier for the department's online training system.

3 (4) The department will enable a permission on completion of required training.

4 (5) A person with permissions in RTS on or before the effective date of this section
5 must complete required training under this section by August 31, 2020. A person who has not been
6 assigned permissions in RTS on or before the effective date of this section must complete all required
7 training before permissions are enabled by the department.

8 (6) If new training is made available for a new or existing permission after August 31,
9 2020, a person with permissions enabled before the new training is made available must complete
10 the required training within 90 days of the department's notification that the training is available.
11 A county employee who is on leave on the date of the department's notification that the new
12 training is available, for at least 90 days thereafter, and due to circumstances beyond that person's
13 control, as determined by the county tax assessor-collector may have an additional 14 days upon
14 returning to work to complete the new training.

15 (d) Failure to complete required training. The department will disable a permission if a
16 person fails to complete required training for the permission within the timeframes required by this
17 section.

18 **12. CERTIFICATION.** The agency certifies that legal counsel has reviewed the proposal and found it
19 to be within the state agency's legal authority to adopt.

20 Issued at Austin, Texas, on August 12, 2019.

21 /s/ Tracey Beaver
22 **Tracey Beaver, General Counsel**