Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

2020 CHAIRMAN'S ANNUAL REPORT

March 11, 2021

The Honorable Greg Abbott
Office of the Governor
Post Office Box 12428
Austin, Texas 78711-2428

Dear Governor Abbott,

It is my privilege to share with you the state of affairs at the Texas Department of Motor Vehicles (TxDMV). TxDMV continues its dedication to customer service, consumer protection and the success of motor vehicle-related industries.

The world around us has changed dramatically over the last year and TxDMV adapted quickly and effectively, in coordination with your office, to find ways to continue to serve Texans. The strong core values of the department have allowed the team to continue to provide quality service with few disruptions regardless of the challenges.

The last year has shown us that the delivery of essential services and ensuring public safety may present different challenges in the future. The department is fully prepared to continue to adapt to any event and to remain committed to its mission of serving Texans.

In this report you will find information regarding the major activities and key accomplishments of TxDMV during Fiscal Year 2020. This report also contains performance data to illustrate the department's progress in modernizing processes and increasing efficiencies.

As TxDMV moves into its second decade of operating as an independent agency, we continue to strive to be good stewards of the resources entrusted to the department and serve the citizens of Texas with energy and efficiency in an every-changing landscape of threats and opportunities.

It is an honor to serve on the TxDMV Board under your leadership. Thank you for the opportunity to serve the State of Texas, and I look forward to what lies ahead for TxDMV.

Sincerely,

Guillermo "Memo" Trevino
Chairman

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Introduction and Key Highlights

The mission of the Texas Department of Motor Vehicles (TxDMV) is to serve, protect and advance the citizens and industries in the state with quality motor vehicle-related services. In Fiscal Year 2020, TxDMV oversaw the issuance of more than 24 million vehicle registrations and almost seven million vehicle titles. Additionally, the department licensed more than 27,000 dealers and other motor vehicle entities engaged in the sale and distribution of motor vehicles, along with regulating certain aspects of the salvage vehicle industry. The department credentialed more than 70,000 motor carriers, issued approximately 750,000 oversize/overweight permits, and investigated almost 17,000 complaints against dealers and motor carriers. Also, TxDMV served more than 700,000 customers through its Consumer Relations Division (CRD) in FY 2020.

TxDMV's Vision, Mission, Goals and Key Functions

Vision: TxDMV sets the standard as the premier provider of customer service in the nation.

Mission: To serve, protect and advance the citizens and industries in the state with quality motor vehicle-related services.

Strategic Goals & Objectives

Each biennium, the TxDMV Board establishes a strategic plan, goals and performance measures for the department. The board's strategic focus for TxDMV is on three distinct, but related goals:
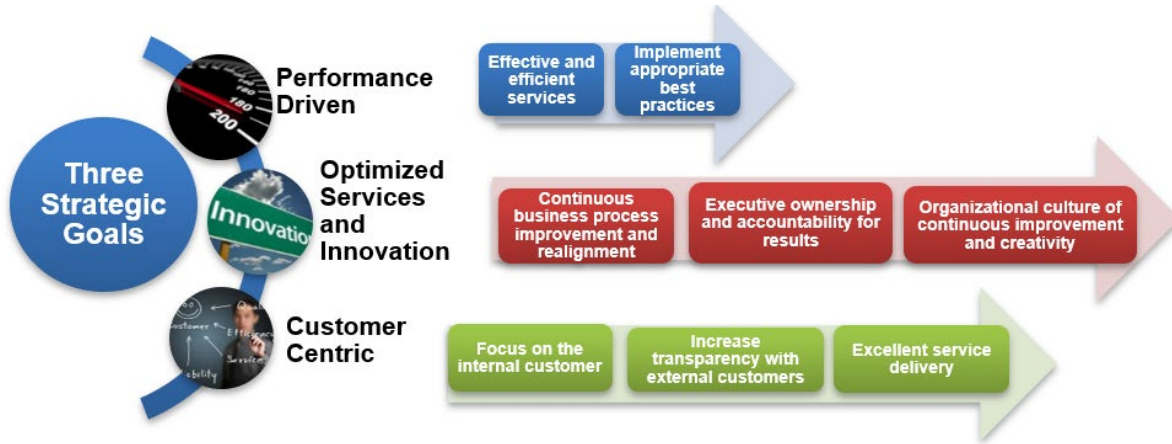
The chart listed below displays the department's performance as measured internally by its three (3) strategic goals.
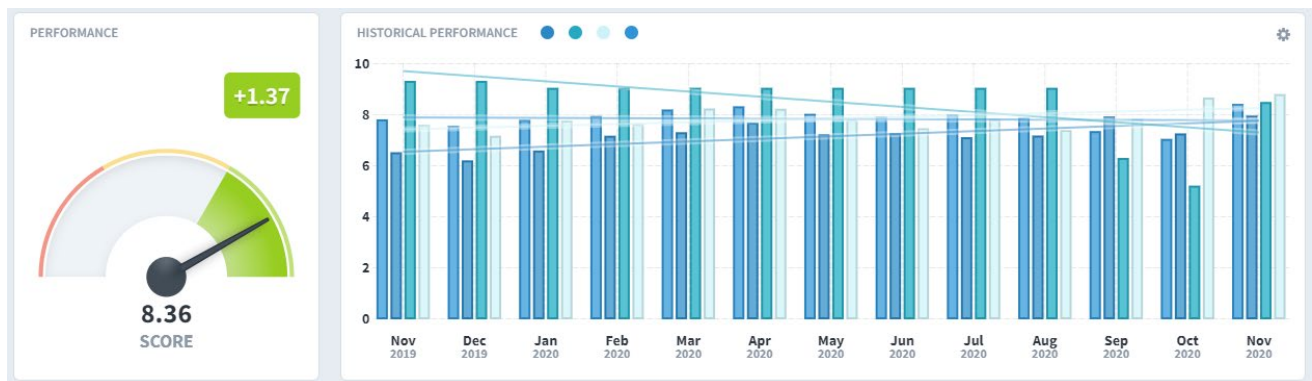
Five Key Functions of TxDMV:

Summarized from Texas Transportation Code §1001.004

1. Provide title, registration and specialty license plate services;
2. Regulate the sales and distribution of motor vehicles;
3. Issue motor carrier permits and credentials (operating authority);
4. Conduct investigations and performs enforcement activities of the TxDMV-regulated community; and
5. Aid in prevention of motor vehicle title fraud, burglary and theft.

Accomplishments & Activities

COVID-19

In early 2020, a novel strain of Coronavirus (COVID-19) caused a worldwide public health pandemic affecting many facets of everyday activities at TxDMV. On March 16, 2020, Governor Greg Abbott issued suspensions granting Texas motorists extensions on both title and registration transactions. Many county tax assessor-collector offices were temporarily closed, and TxDMV Regional Service Centers (RSCs) were temporarily closed to in-person transactions but reopened in May.

Governor Abbott's Strike Force to Open Texas included a phased approach to reopening businesses and government services. It was in concert with the state's recommendations that TxDMV laid out a plan for reopening the department. TxDMV continues to follow guidance provided by state leadership and health officials and will continue to focus on essential services that are critical to Texas' economy.

TxDMV responded swiftly to transition all operations and continue to serve the motoring public, with the following actions despite potential challenges created by COVID-19:

- Seamlessly continued to serve the motoring public by rapidly shifting staff to working remotely and increasing electronic access;
    - Transitioned 86 percent of staff to work from home by the end of March 2020;
    - Continued to recruit, hire and train new staff; and
    - Implemented virtual new employee on-boarding.
- Made enhancements to the Customer Queue Management System allowing customers to make an appointment online for a specific date and time at RSCs. Customers can check their status using the system and wait in their vehicles until texted to enter the office. This system has provided TxDMV customers with added safeguards and service delivery during the pandemic;
- Moved in-person trainings for stakeholders and employees to virtual webinars;
    - Motor Vehicle Dealer Training
    - Salvage Dealer Training
    - Mover Training
    - Oversize/Overweight Training
    - Personnel Development
- With the assistance of the Texas Department of Emergency Management, the department obtained personal protective equipment (PPE) and supplies for distribution to staff at headquarters, RSCs and field offices; and coordinated distribution of PPE to law enforcement through the Motor Vehicle Crime Prevention Authority (MVCPA). During the same time, facilities staff coordinated with commercial landlords and vendors to increase janitorial needs to include hospital-grade cleanings and scheduled monthly routine and on-call/on-

Plexiglass installed at the El Paso Regional Service Center.

demand disinfectant fogging services for headquarters and regional offices. Plexiglass was also installed at RSCs, as well as key areas of headquarters in preparation of the final phase for reopening;

- Significantly increased social media presence to keep all Texans informed of consumer alerts and reminders; and
- Continued to implement statutory requirements passed by the 86th Legislature.

Sunset Implementation

TxDMV completed its first Sunset Advisory Commission review in 2019 and during the 86th Texas Legislature, Regular Session, the commission extended the department until 2031. The commission adopted 33 recommendations that were included in Senate Bill 604 by Sen. Dawn Buckingham, along with 16 management actions *(please reference Appendix D)*. TxDMV continued its efforts to comply with the commission's recommendations and meet statutory deadlines for each of the following:

- Implemented the statutory requirement to adopt rules to make digital license plates available for certain vehicles. Rules were adopted in June 2020, a Request for Proposals (RFP) was issued in June 2020 and the department signed a contract with a digital license plate provider on December 2, 2020;
- Implemented mandatory user training and fraud prevention training for all users of the department's Registration & Title System (RTS) to maintain their access. TxDMV has offered online training to county users for many years through the eLearning program, which was used to facilitate the new requirement that all county personnel needing access had to complete a series of eLearning modules based on their RTS permissions. Existing users of RTS had until August 31, 2020, to complete the training to continue their access;
- Implemented the name change of the Automobile Burglary & Theft Prevention Authority (ABTPA) to the Motor Vehicle Crime Prevention Authority (MVCPA) and expanded its scope. On September 1, 2019, the name of the former ABTPA program changed to MVCPA and the program expanded to fund efforts to stop motor vehicle fraud. The statutory fee levied on motor vehicle insurance policies was increased from $2 to $4 per year of insurance, with 60 percent going to emergency and trauma centers, 20 percent for MVCPA purposes, and 20 percent to General Revenue for criminal justice programs;
- Implemented the statutory requirement that allows licensed independent motor vehicle dealers to perform salvage vehicle dealer work without a salvage vehicle dealer license, resulting in a decrease in the number of salvage dealer licenses issued;
- Established the first motor vehicle dealer education course as required by the 86th Legislature. Independent motor vehicle dealers who have been licensed less than 10 years, as well as new applicants for those licenses, are now required to complete the course prior to submitting a license application. The training requirement was implemented June 2020 after the department approved the first two courses. Currently licensed dealers responded positively with more than 2,000 dealers completing the license renewal course, and more than 1,700 completing the new applicant course;
- Enhanced the Motor Carrier Credentialing System (MCCS) Complaint Management System (CMS) and eLICENSING applications to allow for more comprehensive data tracking. New data fields were added and new reports were built to allow staff to obtain detailed case aging reports and to report on cases to the State Office of Administrative Hearings (SOAH), the number of complaints by licensee type, complaint source, nature of each complaint, and resolved complaints by action taken;
- Implemented efficiency improvements by realigning staff and reassigning cases to reduce enforcement case aging. System enhancements were recommended to improve reporting capabilities and further improve case processing efficiencies. Staff training was provided to establish consistencies in naming conventions and other workflow steps that improved the case flow between the investigative and attorney sections;

- Established advisory committees to assist the department with on-going goals of stakeholder and consumer inclusivity and public transparency; and
- Issued a study on Alternatively Fueled Vehicles to the Legislature December 1, 2020. The study focused on the impact to the state of alternatively fueled vehicles including options to levy fees on such vehicles.

Fraud, Waste & Abuse

TxDMV takes a proactive approach where all divisions within the department respond positively and work collaboratively with its internal auditors to add value to agency operations and mitigate instances of fraud, waste and abuse. This is partial list of major initiatives undertaken by the department:

- Enhanced the internal fraud, waste and abuse program by creating Key Risk Indicators and conducting a fraud pulse survey to department staff in October 2020. The information provided in the survey is helping TxDMV's Internal Audit Division (IAD) understand where, if any, blind spots exist throughout the department and help identify where to focus training and attention on fraud, waste and abuse going forward;
- Continued the Compliance and Investigations Division's (CID) Quality of Red Flag reporting process that began in FY 2019 and tracked the number of viable referrals from tax assessor-collector (TAC) offices to TxDMV for administrative or criminal investigative action. CID provides fraud training to TAC offices to educate the employees in TAC offices on appropriate information needed to ensure Red Flag submissions are viable. In FY 2020, CID received 4,118 Red Flag submissions. Of those, 3,816 were viable, meaning there was accurate information provided resulting in an administrative or criminal referral for further action. Only 302 Red Flag submissions were returned to the counties due to lack of information or incomplete information. These numbers for FY 2020 translate to a 92.6 percent success rate – remarkable considering the reduced number of fraud training classes conducted by CID due to COVID-19 and restricted travel;
- Improved the eTAG Administrator Form (department form provided to dealers and tax assessor-collectors to designate users to create electronic buyer and dealer tags) to prevent unauthorized access to eTAG/webDEALER. This process includes a validation of dealer license numbers to ensure a valid dealer number is being used in a dealer transfer, preventing someone from using fictitious dealer license numbers and expired or revoked dealer license numbers. It will also further validate that a buyer tag has been issued by the dealer to prevent fraudulent use of valid dealer numbers; and
- Assisted tax assessor-collectors with fraud prevention efforts by providing training for anyone accessing TxDMV's RTS and requiring training in compliance with SB 604. To meet this requirement, all county personnel were required to complete a series of eLearning modules based on their RTS permissions. County personnel embraced the opportunity for professional development and completed 160,588 eLearning modules. The rollout of this program did not result in any major setback or impacts to customers. This program better ensures all personnel around the state processing title and registration transactions are equipped with the information necessary to process those transactions correctly and provide the service Texans expect.

Customer Service Enhancements

TxDMV's customer service goal is a single point-of-contact interaction, with quick, accurate and complete answers every time. As more customers and stakeholders use electronic devices to conduct their business, the department continuously explores, plans and implements technology infrastructure and services to match expanding customer needs, such as:

- Redesigned and implemented a new, standardized customer satisfaction survey June 2019 with full data collection available during FY 2020. The redesign included separate, streamlined, external and internal surveys for each of the department's 14 divisions that provide streamlined data and consistent analysis. The standardized survey of five questions requests the customer to provide an overall customer satisfaction rating and a comment area for customers to provide remarks on their customer experience;
- Renovated and redesigned TxDMV's external website resulting in improvements to the overall utilization, functionality and design of the new site that reflects feedback from the public, stakeholders, and department staff. In addition to being mobile-friendly to accommodate the growing number of users coming to our site on their phones, the new site search engine returns more accurate results for both pages and documents – a welcome improvement for anyone who was familiar with the limitations of the search engine on our previous site. A new web analytics tool will allow department staff to make ongoing assessments of all site data. The website was renovated to not only assist users with finding information intuitively and quickly, but also through the platform used to process requests; and being in the cloud, the new website uses a scaling technique to ensure prompt responsiveness at all times for those who visit the site;
- Implemented the RSC Customer Queue Management System that enhanced remote check-in features. In July 2020, the new software allowed customers to check-in remotely via mobile device upon arrival, and staff acknowledged their arrival via text message. This new functionality allows the customer to receive a follow-up text message when it is time to enter the building for their appointment. The overall customer reaction to the new system capabilities has been very positive;
- Transitioned quickly to telephonic Lemon Law and warranty performance hearings. No hearings were postponed due to the COVID-19 pandemic; and
- Produced an instructional video describing the Lemon Law and warranty performance process and what to expect in the hearing. The video was posted on the department's public website, YouTube and Twitter September 2020.

Workforce Development

Until recently, employee turnover had been consistently lower than that of other Texas state agencies. However, in FY 2019, the department experienced an increase in employee turnover to 20.2 percent and for the first time was included in the State Auditor's Office (SAO) Biennial Report on the State Classification Plan. TxDMV employee turnover decreased slightly in FY 2020 and leadership has made the following efforts to improve the overall employee experience:

- Hired an ombudsman to assist employees in conflict resolution and maintaining a positive culture. The ombudsman also serves as the department's civil rights and ethics officer. Established a workforce plan to focus on recruiting and retaining a diverse and qualified workforce through the following:
  - Developed career paths to allow for internal employee promotions and professional advancement;
  - Focused efforts to recruit college students and recent college graduates by providing paid internships;
  - Supported the use of alternative work schedules and telecommuting opportunities to address the needs of department employees; and
  - Continued to reward employees with one-time and/or recurring merit pay increases whose performance exceeds that which is expected or required; and

- Completed a compensation study that identified department salaries have increased at a slower rate than the rest of state government during the last three years. The average employee salary increased by less than one percent per year; where the average overall salary of state employees increased by more than twice the average TxDMV salary increase.

Other Accomplishments / Other Strategic Initiatives
- Established a new category of vehicles called "assembled vehicles" that can be titled and registered. The 86th Legislature passed HB 1755 which allows for assembled vehicles (including vehicles assembled from component parts) to be eligible for registration and titling after meeting specific requirements and being inspected by a certified master mechanic. Examples of such vehicles include an assembled motor vehicle, assembled motorcycle, assembled trailer, custom vehicles, street rod replicas and glider kits. The TxDMV Board adopted the associated rules at the April 2020 meeting, and staff fully implemented the program and provided guidance to tax assessor-collectors and interested stakeholders on the process in June 2020; and
- Modernized the IT network by migrating to the Department of Information Resources (DIR) Data Center Services (DCS) to help manage the 250+ TxDMV servers; completed efforts to implement a redundant and automated failover of Call Center digital Voice Over Internet Protocol (VOIP) hardware and Adaptive Security Appliance (ASA) firewalls in an effort to improve and increase agency uptime and threat protection; replaced critical switchgear devices to improve security, throughput and support; upgraded system support service and operating systems at TxDMV's headquarters, RSCs and county tax offices, moving the department from legacy operating systems to the latest Windows 10 with improvements in features and security.

Revenues and Expenditures

Overview

TxDMV collects fees on various vehicle transactions, licenses and permits. TxDMV deposits revenue to the credit of the State Highway Fund (Fund 0006), the General Revenue Fund (Fund 0001 or GR) and the TxDMV Fund (Fund 0010).

All appropriations to TxDMV are funded entirely by fees collected by TxDMV. Certain revenue is deposited to the credit of the TxDMV Fund and is used to cover all appropriations made to the department for each biennium, except for the MVCPA, which receives its appropriations from GR. Sources of TxDMV Fund revenue include deposits from a processing and handling fee associated with vehicle registration transactions, motor vehicle dealer license fees, oversize/overweight permit fees, title fees, various vehicle license plate fees, and miscellaneous fees and penalties. MVCPA programs are funded through a $4 annual assessment on each motor vehicle insurance policy issued, and the collected assessments are deposited to the GR Fund.

Total Fund Revenues

Overall, total fund revenue collections decreased in FY 2020 compared to FY 2019. This decrease is attributed to COVID-19 and the associated downturn in the state and national economies. These effects parallel a decrease in business activities combined with the decrease in consumer-driven licenses and permits. Detailed information on the decreases is described below.

The primary factor contributing to the decline in FY 2020 total revenue collections is in vehicle registration collections, which account for 82.1 percent of total TxDMV collections. The registration collections decreased by 5.9 percent in FY 2020 compared to FY 2019. Other factors contributing to the overall decrease in revenues in FY 2020 compared to FY 2019 include: vehicle title revenue decreasing by 10.7 percent; motor vehicle business licenses decreasing by 6.5 percent; and motor carrier oversize/overweight permits decreasing by 12.8 percent, due mostly to the impact of COVID-19 on the state and national economies combined with reduced oil prices. Processing and Handling (P&H) fee revenue for vehicle registration transactions decreased by 7.1 percent in FY 2020 as compared to FY 2019, primarily because of the reduced number of registration transactions associated with the temporary suspension of registration requirements granted by Governor Abbott due to COVID-19, which will end at 11:59 p.m. on April 14, 2021, and the associated decline in the state's economy.

In FY 2020, revenue collections totaled $1.84 billion in all funds, a 6.8 percent decrease compared to FY 2019. In FY 2020, the department deposited $1.58 billion to the State Highway Fund (Fund 0006), $105.8 million to the General Revenue Fund (Fund 0001), and $156.3 million to the TxDMV Fund (Fund 0010). The chart below shows actual collections for FY 2020 revenues compared to FY 2019 revenues by fund and the percent variance.

FUND REVENUES			
Deposits	**FY 2019 Actual Revenue**	**FY 2020 Actual Revenue**	**FY 2020 vs. FY 2019**
General Revenue Fund 0001	114,893,185	105,846,913	-7.9%
State Highway Fund 0006	1,688,765,954	1,578,008,790	-6.6%

TxDMV Fund 0010	171,451,224	156,261,675	-8.9%
Total TxDMV Deposits	**1,975,110,363**	**1,840,117,378**	**-6.8%**

TxDMV Fund Revenues

The chart below details TxDMV Fund (0010) collections in FY 2020 compared to FY 2019 by fee type. Total TxDMV Fund revenues were $156.3 million in FY 2020 compared to $171.5 million in FY 2019, a decrease of 8.9 percent. Factors contributing to the overall decrease in TxDMV Fund revenue were the issuance of temporary suspensions and allowable deferrals in March 2020 for certain title fees and initial registration and registration renewals of vehicles (along with the associated collections of P&H fees) collected due to COVID-19 and the general economic downturn.

TxDMV FUND REVENUES			
Revenue Category	**FY 2019 Actual Revenue**	**FY 2020 Actual Revenue**	**FY 2020 vs. FY 2019**
Motor Vehicle Certificates of Title	43,119,638	36,964,892	-14.3%
Motor Vehicle Registrations	36,664,581	35,044,378	-4.4%
Motor Carrier Oversize/Overweight Permits	16,916,066	14,711,609	-13.0%
Motor Vehicle Business Licenses	7,906,911	7,390,831	-6.5%
Miscellaneous Revenue	10,085,561	9,442,352	-6.4%
Process & Handling Fees	56,758,468	52,707,612	-7.1%
Total TxDMV Deposits to Fund 0010	**$171,451,224**	**$156,261,675**	**-8.9%**

Projected Impact of COVID-19 on FY 2021 Revenues

The TxDMV Fund revenue decreases in FY 2020 are partially due to the temporary suspensions and allowable registration deferrals issued in March 2020, affecting initial registration, registration renewals and the associated P&H fees, along with certain title fees. In December 2020, the Office of the Governor announced these suspensions will be lifted, and all vehicle registrants and owners must comply with the statutes and rules no later than April 14, 2021. During the first quarter of FY 2021, TxDMV saw an increase in registration transaction activity compared to lows in April and May 2020. It is anticipated that much of the revenue deferred in FY 2020 will be collected in FY 2021, although total fee collections may be less than originally projected for FY 2021. The department continues to closely monitor revenue collections on a regular basis.

Expenditures

TxDMV's FY 2020 operating budget, which includes $18.4 million of carry-forward dollars from the prior year for unexpended information technology and facilities capital projects, was $188.8 million including fringe benefits, with 802 full-time-equivalent (FTE) positions. TxDMV's FY 2020 actual obligations totaled $153.8 million including fringe benefits and online service fees. Significant expenditure categories included salaries and benefits, contract and professional services, postage, reproduction and printing, computer equipment software and maintenance, and MVCPA grants.
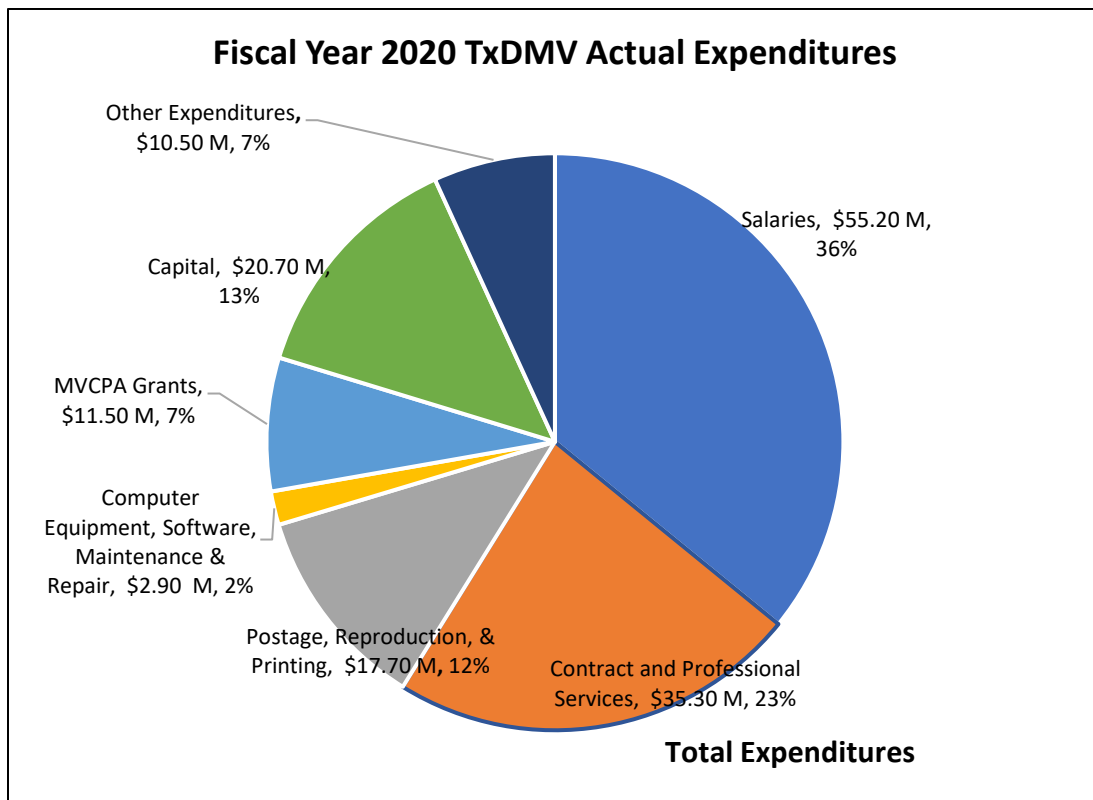
Included in FY 2020 is approximately $1.7 million expended for COVID-19 response. The COVID-19 expenditures included staff time devoted to response activities, specialized facility cleaning services, the

acquisition of health and safety supplies such as face masks and facility safety preparation, such as the installation of plexiglass barriers and signage.

Capital budget expenses totaled $20.8 million primarily consisting of expenditures for Data Center Services (DCS) ($10.9 million); automation projects ($4.5 million), County Technology Equipment, such items as workstations, printers, network services and expenditures for Headquarters (HQ) computer systems and HQ cybersecurity ($3.3 million). Other large capital expenditures included $1.6 million for HQ facility maintenance and vehicle acquisitions.

Projected Impact of COVID-19 on FY 2021 Expenditures
Total expenditures for FY 2020 related to COVID-19 totaled $1.7 million. For the first quarter of FY 2021, COVID-19 obligations total $1.2 million. The department will continue to expend funds to address COVID-19 through the purchase of needed services and tangible items to maintain a safe and secure environment for employees and customers. Expenditures for FY 2021 are projected to total $3.5 million. However, this amount is subject to change as the pandemic impacts TxDMV employees and its customers.

Fiscal Year 2020 TxDMV Actual Expenditures

Other Expenditures, $10.50 M, 7%
Capital, $20.70 M, 13%
MVCPA Grants, $11.50 M, 7%
Computer Equipment, Software, Maintenance & Repair, $2.90 M, 2%
Postage, Reproduction, & Printing, $17.70 M, 12%
Salaries, $55.20 M, 36%
Contract and Professional Services, $35.30 M, 23%

Total Expenditures

TxDMV's overall expenditures in FY 2020 increased by 4.0 percent when compared to FY 2019. The increase is primarily attributable to an increase in staffing that was a result of 23 additional FTEs approved for FY 2020 and an overall reduction in vacancies as compared to FY 2019. Expenses associated with COVID-19 also contributed to the increase in FY 2020 compared to FY 2019.

Fiscal Year 2020 Annual Financial Report (AFR)

The department's AFR for the year ending August 31, 2020, was submitted in compliance with the Texas Comptroller of Public Accounts (CPA) by the November 20, 2020 deadline. The report was transmitted to state oversight agencies, the Office of the Governor (OOG) and the Legislative Budget Board (LBB). The report is available on the TxDMV website.

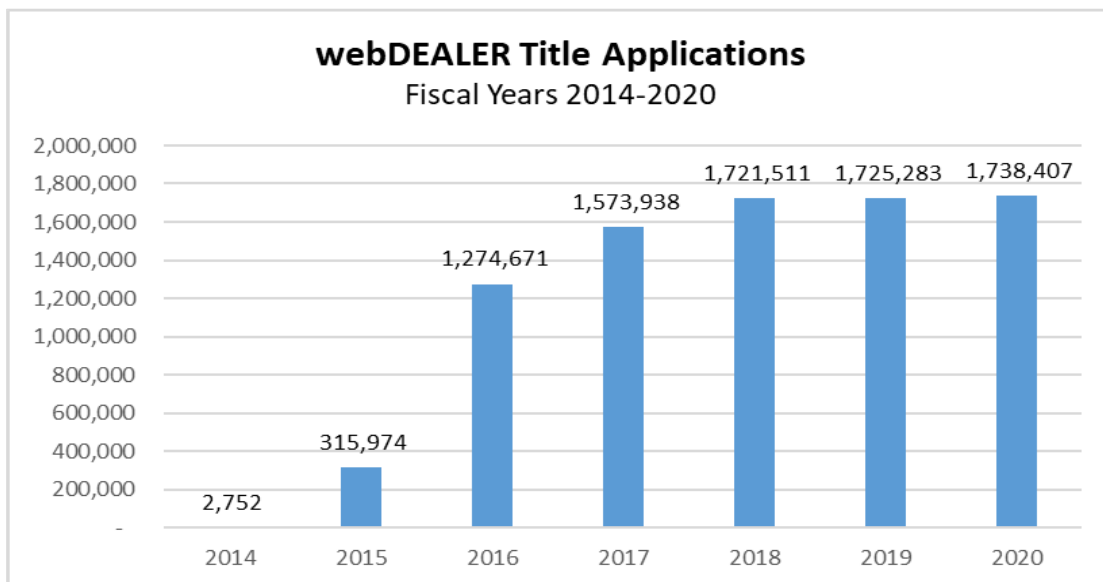# Performance Data

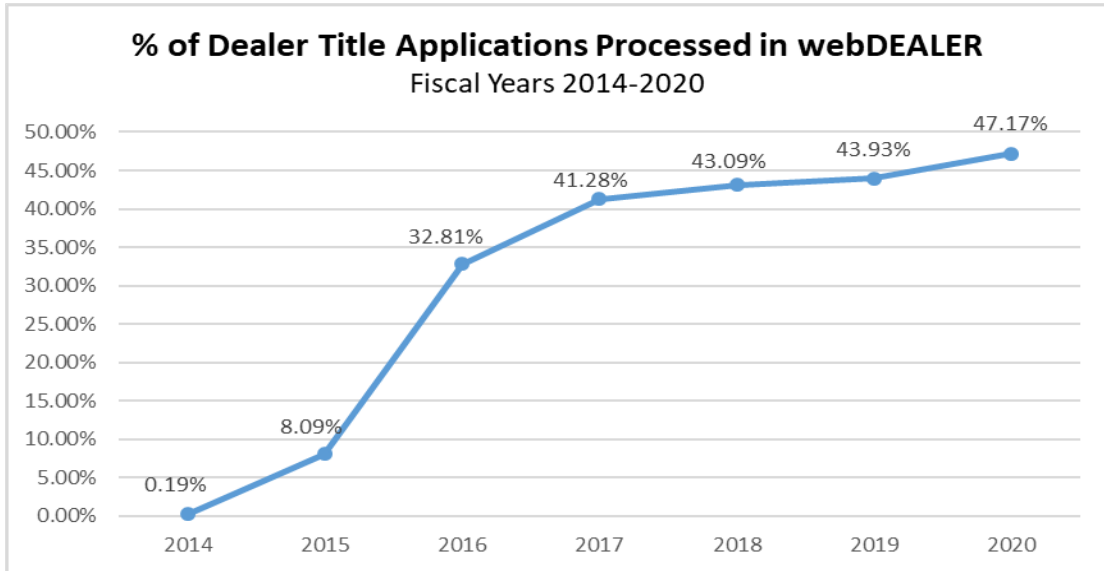## Vehicle Titles & Registration (VTR) Division

Title Performance Data

Proper titling protects vehicle owners and prospective buyers by allowing for the orderly transfer of ownership, prevention of theft, and protection of lenders. VTR is responsible for the development, implementation and oversight of motor vehicle title policy and procedure for the state. This program also manages the title aspects of motor vehicle records in the state's RTS database and checks each title application against the National Motor Vehicle Title Information System (NMVTIS) for relevant title information and any value-limiting brands on the vehicle to be titled.

TxDMV continues to experience success with the web-based application known as webDEALER that allows dealers to process title applications and new registrations online in lieu of making trips to county tax assessor-collector offices with paper documents. The ability to process title applications and new registrations online has resulted in a quicker, more accurate submission process, and the approval time of each application has been significantly reduced. An additional timely, positive result of implementing webDEALER, is the reduced need for in-person transactions, which has proved extremely beneficial during the on-going COVID-19 pandemic.

This is not only a benefit to the dealer, but it also affords TxDMV quicker visibility of title applications for examination purposes. Data trends since Fiscal Year 2014 indicate the use of webDEALER has increased as indicated in the charts below. The department anticipates the increase to continue since statute requires each county tax assessor-collector to make webDEALER available to any licensed motor vehicle dealer requesting access effective September 1, 2020.


webDEALER Title Applications
Fiscal Years 2014-2020

Year	Title Applications
2014	2,752
2015	315,974
2016	1,274,671
2017	1,573,938
2018	1,721,511
2019	1,725,283
2020	1,738,407

% of Dealer Title Applications Processed in webDEALER
Fiscal Years 2014-2020

Registration Performance Data

Under Texas Transportation Code, Chapter 502, owners of motor vehicles, trailers and semitrailers are required to apply for annual registration for each registration year in which the vehicle is used or will be used on a public highway.

The state's 254 county tax assessor-collectors process various registration-related transactions on behalf of TxDMV. The department provides county tax assessor-collectors with computer workstations, network infrastructure, computer supplies, forms and training as strategic partners. TxDMV consistently seeks to provide its customers with convenient and efficient methods to conduct business with the state. Therefore, the department provides the flexibility to renew registration in one of three ways – walk-in, mail or online (available 24-hours a day, seven days a week). TxDMV also provides a $1.00 fee reduction for renewals completed online.
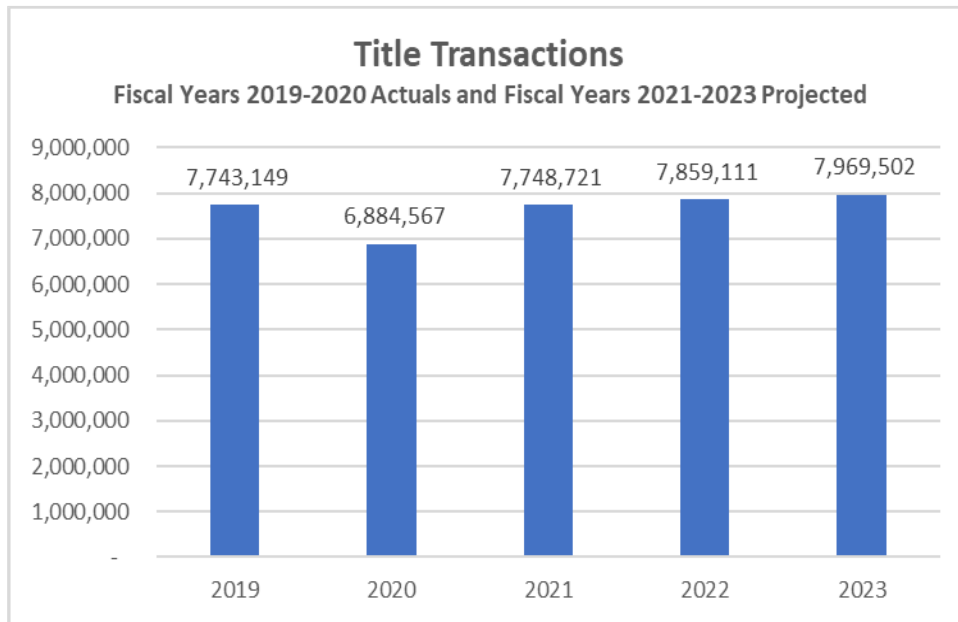

Registration Renewal Option Utilization by Month
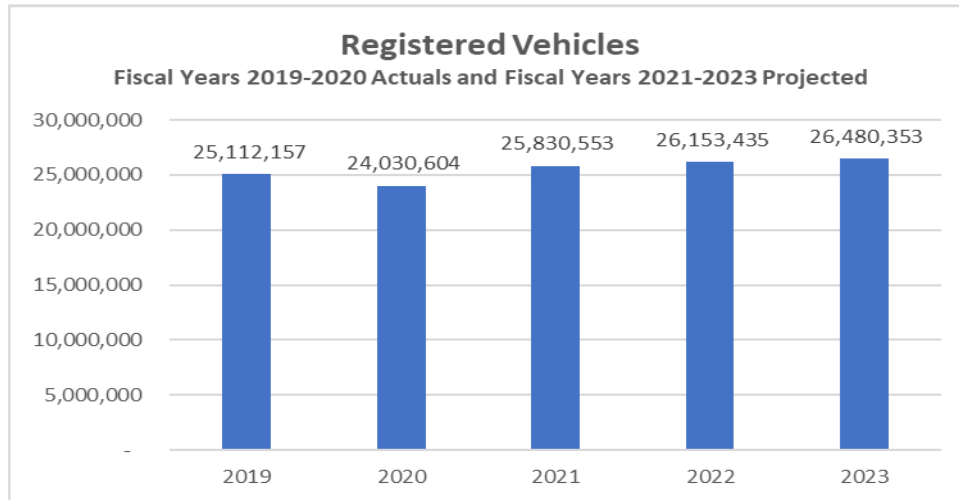September 2019 - October 2020
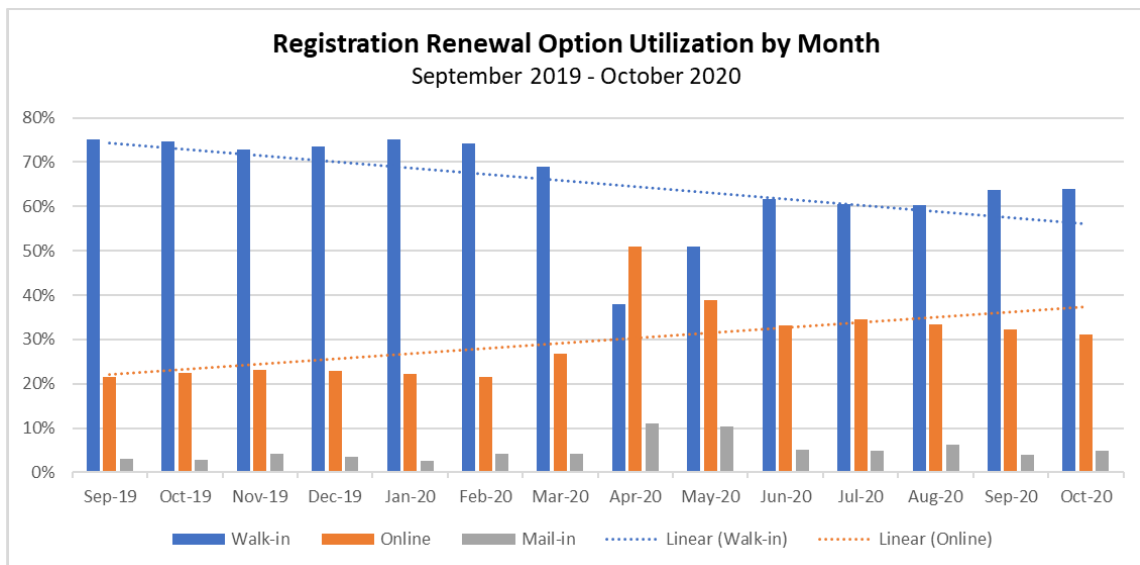
COVID-19

Consistent with the suspension issued by Governor Abbott March 2020, the department granted an extension of the 30-calendar day timeframe to accept a *Law Enforcement Identification Number Inspection* (Form VTR-68-A). Form VTR-68-A is required for certain title applications to verify the identity of the vehicle and ensure it is not stolen. Extending the 30-calendar day timeframe prevented customers from having to return to law enforcement to obtain a new inspection. Programming was implemented within webDEALER to accommodate the suspension of the delinquent transfer penalty and modification of the delinquent sales tax penalty, which was consistent with the Comptroller of Public Account's extension for when motor vehicle sales tax is due. Many county tax assessor-collector offices and all RSCs were closed to walk-in transactions for most of the third quarter of FY 2020. However, services were offered by email, mail, drop off, online, and phone. Pandemic concerns directly impacted vehicle sales, titling and registration activities.

TxDMV saw a decline in titles, initial registrations and registration renewals in FY 2020 compared to FY 2019. Title transactions declined by 11 percent in FY 2020 compared to FY 2019, and initial registrations and registration renewals declined by four percent for the same period.

Title Transactions
Fiscal Years 2019-2020 Actuals and Fiscal Years 2021-2023 Projected

Year	Transactions
2019	7,743,149
2020	6,884,567
2021	7,748,721
2022	7,859,111
2023	7,969,502

While the department is seeing rebounds in title and registration transactions, it is anticipated the numbers will continue to be lower than previously expected for the near future. Industry leaders reported lower than expected vehicle sales in FY 2020 due to impacts from the pandemic, which also contributed to lower numbers of title transactions and registration activities than in previous years.

TxDMV expects the number of registered vehicles to return to a normal level in FY 2021 and projects that both title transactions and registration activities will increase in FY 2022 and FY 2023 as the state and national economies recover.

Registered Vehicles
Fiscal Years 2019-2020 Actuals and Fiscal Years 2021-2023 Projected

	2019	2020	2021	2022	2023
Registered Vehicles	25,112,157	24,030,604	25,830,553	26,153,435	26,480,353

Motor Vehicle Division (MVD)

MVD provides an efficient, reliable and customer-centric system for distributing and selling motor vehicles through the licensing of franchised dealers, motor vehicle manufacturers, independent (also known as General Distinguishing Number (GDN) or used motor vehicle dealers), distributors, in-transit operators, converters, lease facilitators, lessors, and salvage vehicle dealers doing business in Texas.

In FY 2020, MVD issued approximately 13,110 new and renewal licenses supporting the more than 27,000 motor vehicle and salvage industry licensees in Texas.

LICENSES ISSUED BY MVD IN FISCAL YEAR 2020		
Type of License	**Total by License Type**	**Percent of Total**
Salvage Dealer New	1,002	7.64%
Salvage Dealer Renewal	42	0.32%
Salvage Agent New	0	0.0%
In-transit New	33	0.25%
In-transit Renewal	42	0.32%
Lease Facilitator New	4	0.03%
Lease Facilitator Renewal	14	0.11%
Lessor New	35	0.27%
Lessor Renewal	98	0.75%
Representative New	0	0.0%
Converter New	18	0.14%
Converter Renewal	70	0.53%
Manufacturer New	20	0.15%
Manufacturer Renewal	56	0.43%

Distributor New	5	0.04%
Distributor Renewal	31	0.24%
General Distinguishing Number (GDN) New	2,974	22.68%
GDN Renewal	7,205	54.96%
Franchise New	231	1.76%
Franchise Renewal	1,230	9.38%
FY 2020 Total	**13,110**	100%

During the 86th Legislative Session, several bills were enacted to eliminate the representative and salvage agent license types, eliminate the salvage endorsement licenses in favor of a comprehensive license, and allow a GDN holder to operate as a Salvage Vehicle Dealer without holding a Salvage Vehicle Dealer license. These changes, coupled with the impact of COVID-19 on the motor vehicle industry, resulted in a 39 percent decline in total vehicle industry licenses issued during FY 2020 compared to FY 2019. A slight increase in licenses issued at the end of FY 2020 were most likely related to the lifting of stay-at-home orders and other COVID-19 related restrictions in various jurisdictions around the state. The other types of vehicle industry licenses experienced a decline due to the impacts of COVID-19 on the economy. The changes in legislation will permanently impact the total number of vehicle industry licenses issued by the department. However, as the state and national economies continue to recover, it is projected that modest increases will occur in FY 2022 and FY 2023.

PERFORMANCE MEASURE	FY 2019 ACTUALS	FY 2020 ACTUALS	FY 2021 TARGET	FY 2022 PROJECTIONS	FY 2023 PROJECTIONS
Number of Vehicle Industry Licenses Issued	21,350	13,110	12,750	13,250	14,000

MVD further tracks its efficiency through Key Performance Indicators (KPIs) with target average processing times for GDN, franchise, and salvage vehicle dealer applications.
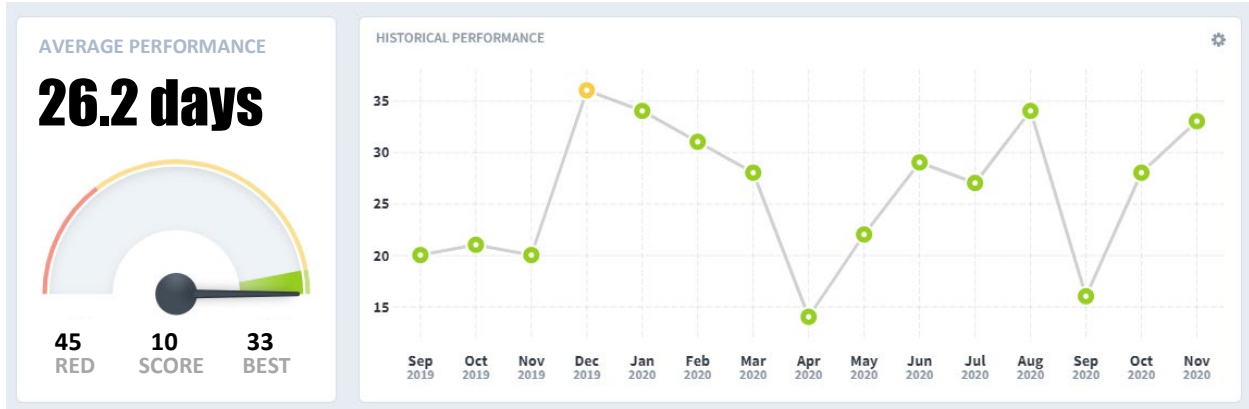
From September 2019 to November 2020, the average time to process a new GDN application is 13.6 days, which is 3.4 days faster than the KPI target of 17 days.

Average Processing Time for New General Distinguishing Number (GDN) Applications
Average Number of Days by Month, September 2019 – November 2020

From September 2019 to November 2020, the average number of days to process a new franchise license application is 26.2 days, which is 6.8 days faster than the KPI target of 33 days.

Average Processing Time for New Franchise Dealer License Applications
Average Number of Days by Month, September 2019 – November 2020

From September 2019 to November 2020, the average number of days to process a new salvage vehicle dealer application is 8.6 days, which is 8.4 days faster than the KPI target of 17 days.

Average Processing Time for Salvage Vehicle Dealer License Applications
Average Number of Days by Month, September 2019 – November 2020

Additionally, from FY 2019 to now, MVD has assigned all license applications on average within one day of receipt of the application. MVD's performance is due in part to the 2017 deployment of eLICENSING, the online licensing system that eliminates paper application processing, provides the ability to submit documents online and offers the ability to track the progress of submitted applications. These enhancements, along with well-trained staff, facilitate faster approvals.

MVD administers a very successful mediation program, resolving 89 percent of contested cases, benefiting all parties. The parties to these types of contested cases are licensed franchised dealerships, licensed manufacturers, licensed distributors, or some combination of these types. These dockets involve a statutory protest or statutory complaint brought by one of the license holders. When parties

resolve a case through an MVD-facilitated mediation, they avoid the time and expense of litigation and have more control over the result of the conflict. Due to the settled cases, MVD realizes significant cost savings in the State Office of Administrative Hearings (SOAH) contract expenses and significant staff time savings as resources spent tracking SOAH cases, preparing proposals for decision for board consideration, and preparing case files for appeals are reduced.

MVD has a primary goal of customer satisfaction and sends all license holders a customer satisfaction survey upon approval of a license, amendment or renewal application. License holders who respond with low ratings or written complaints are contacted directly to address their concerns. For FY 2020, 99 percent of participating license holders agreed they are satisfied overall with the service MVD provides.

Motor Carrier Division (MCD)

MCD provides a one-stop shop for interstate and intrastate commerce. The division provides commercial motor carriers, household goods movers, and passenger carriers with information, license plates, and operating authority (including TxDMV numbers, Unified Carrier Registration, cab cards, and oversize/overweight permits) they need to move people and cargo safely and efficiently.

Credentialing
The primary purpose of the program is to protect the health, safety and welfare of the public in relation to the movement of commercial motor vehicles on roads and highways in Texas, as well as consumers using household goods movers. This is accomplished through the issuance of Texas intrastate motor carrier operating credentials (intrastate certificates) to operators of:

- Vehicles with a gross weight, registered gross weight, or gross vehicle weight rating exceeding 26,000 pounds;
- Farm vehicles operating with a gross weight, registered weight, or gross registered vehicle weight rating of 48,000 pounds or more;
- Buses designed or used to transport more than 15 people;
- Commercial school buses; and
- Household goods (for compensation).

The Credentialing Section utilizes two online systems to ensure the safety of the traveling public:

- The Electronic Licensing and Issuance Credentialing (eLINC) is a self-service, online tool that asks a series of questions to determine a motor carrier's operating authority (intrastate registration) needs. The motor carrier industry includes general freight haulers, hazardous material haulers, household goods movers and passenger carriers; and

- The Motor Carrier Credentialing System (MCCS) provides information to assist in the assurance of the safety and welfare of the traveling public. All information is vetted to ensure businesses are registered properly with the Texas Secretary of State's Office and the Texas Comptroller's Office, and that the vehicles are registered and insured properly. Further, MCCS records Vehicle Identification Number (VIN), owner and company information. This is especially important knowing that household goods mover personnel enter customer's homes and passenger carriers carry the most precious cargo, which is people.

Additionally, household goods movers are required by state law to file a tariff (rates and charges) as part of the application to protect consumers from deceptive and unfair practices. MCCS maintains those tariffs, which are available online for the public on our public portal, the Truck Stop. Customers can use Truck Stop to review the motor carriers they might use. Law enforcement can use Truck Stop for inquiries during roadside stops.

Two additional functions performed by the Credentialing Section are:

1. Ensuring all intrastate motor carriers traveling across state lines (interstate) are properly registered with the federal Unified Carrier Registration (UCR) program by comparing information contained in both the state and federal systems; and
2. Identifying "chameleon carriers" through a screening process for new applications established in MCCS. MCCS screens new motor carrier applications and identifies those attempting to recreate themselves as a new carrier to avoid enforcement penalties and/or sanctions or unsatisfactory safety ratings.

Motor Carrier Credentials

|	
FY 2020	70,807
FY 2019	69,524
FY 2018	65,574
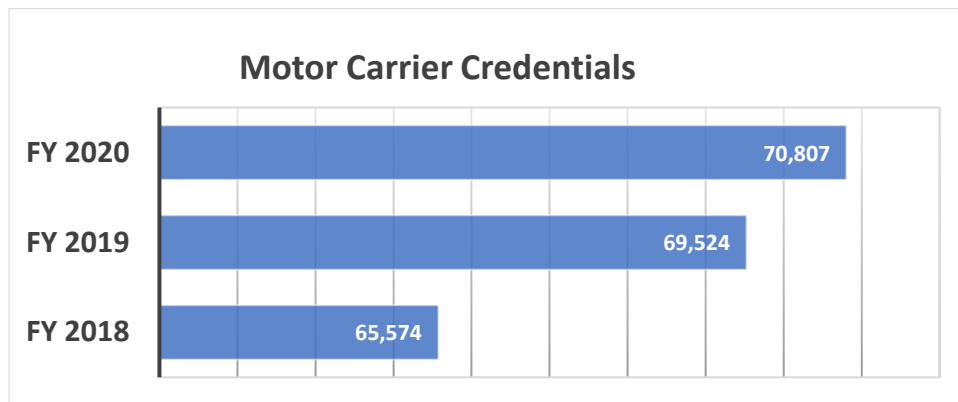
In FY 2020, TxDMV issued 70,807 motor carrier credentials of all types: New applications, renewals and Unified Carrier Registrations for interstate operations. This was a 1.8 percent increase from FY 2019 and 7.3 percent from FY 2018. Motor carrier credentials are consumer-driven and are affected by the current economic conditions. However, for a motor carrier to operate in Texas, it must maintain its current operating authority. TxDMV projects that fewer credentials will be issued in FY 2021 and into the next biennium, based on economic indicators such as the impact of COVID-19 and declines in the oil and gas industry specific to oil drilling.

Oversize/Overweight Permits (OS/OW)
The objective of the OS/OW Permitting Section is to regulate the movement and have oversight of oversize or overweight vehicles and loads on the Texas highway system to ensure the safety of the traveling public, and to protect the integrity of highways and bridges.

The Texas Permitting and Routing Optimization System (TxPROS) is TxDMV's system that issues OS/OW permits online, 24-hours a day, seven days a week. Customers not only save time and money by self-issuing permits, but they also receive detailed routing instructions on how to avoid restricted areas based on their vehicle dimensions, increasing safety for both the motor carrier and the public.

OS/OW Permit Revenue and Permits Issued
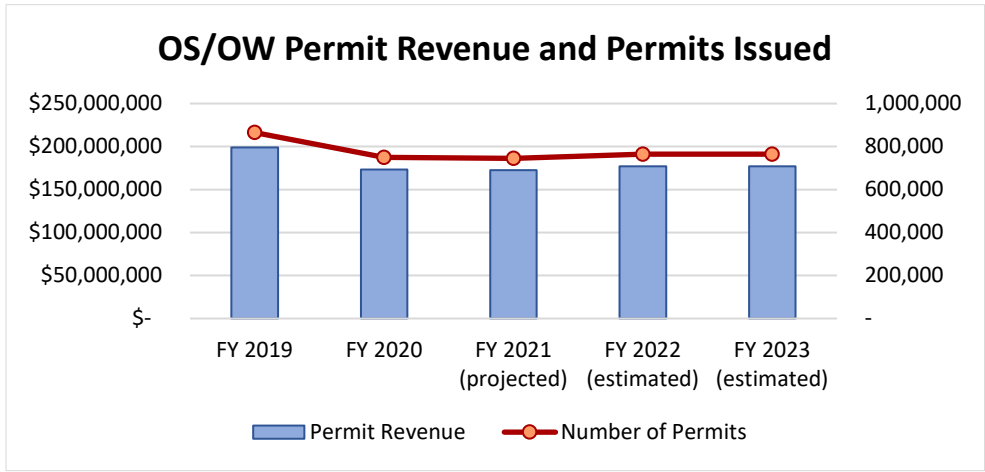
In FY 2020, MCD issued 749,083 OS/OW permits and of those, almost 82 percent were single-trip routed permits. The average processing time for issuing single-trip permits is 39.1 minutes.

Oversize/Overweight Permits Issued

FY 2020	749,083
FY 2019	865,171
FY 2018	809,113
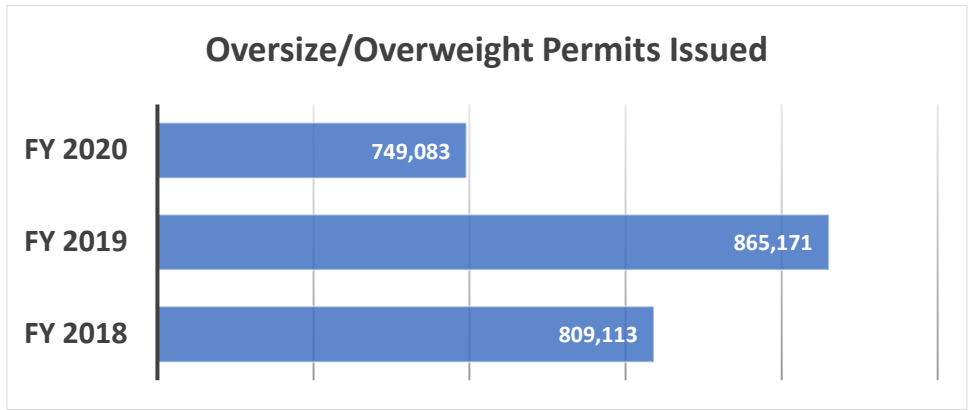
Enforcement Division (ENF)

The Enforcement Division (ENF) administers the laws governing motor vehicle sales and distribution, salvage and motor carrier industries, and the laws governing OS/OW motor carrier operations. The statutes enforced by the division are designed to protect consumers, ensure a sound system for the distribution and sale of motor vehicles, and the safety of the traveling public and protect the integrity of highways and bridges.

Major division activities include:

- Investigation of motor vehicle complaints, Lemon Law complaints, warranty performance complaints, and motor carrier consumer protection complaints from the public or the initiation of complaints when non-compliance violations are observed;
- Submission of investigation results to TxDMV attorneys regarding potential violations; and
- Settlement of cases with dealers or motor carriers, or, if no settlement can be reached, litigation of the case at SOAH.

The division successfully pivoted to telecommuting and virtual administrative hearings amid COVID-19 pandemic concerns beginning in March 2020.

The number of cases closed in a fiscal year depends on the number of complaints received, the complexity of the cases, and division staffing. Enforcement closed 33 percent more cases in FY 2020 than in FY 2019 as a result of continuing improvements in processing efficiencies and the conclusion of several large volume motor vehicle cases. Enforcement anticipates the number of cases closed for FY 2021 and beyond to decrease slightly due to the impact of these large volume motor vehicle cases had on the numbers for motor vehicle cases.
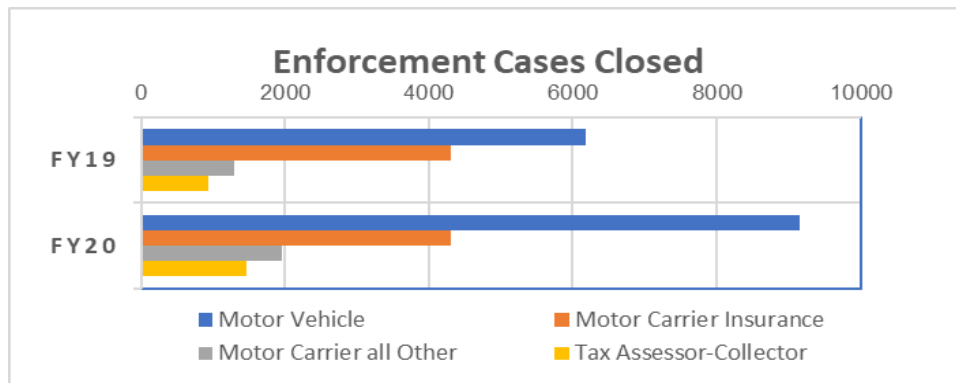

ENFORCEMENT CASE TYPES	FY 2019	FY 2020
Motor Vehicle	6,177	9,161
Motor Carrier Insurance	4,310	4,308
Motor Carrier (all other)	1,293	1,962
Tax Assessor-Collector	930	1,463

The division provides educational materials aimed at consumer protection on the department website and provides direct training to regulated industries to ensure understanding of the laws affecting dealers and motor carriers. A new oversize/overweight seminar was developed in FY 2020 for motor carriers who are new to the trucking industry or seeking updates. The division successfully converted each in-person training presentation to a webinar platform, increasing the number of regularly provided monthly trainings.

Enforcement is also responsible for receipt and investigation of Lemon Law complaints. Case advisors review all consumer complaints and attempt to mediate disputes prior to referring cases to the formal hearing process with TxDMV's Office of Administrative Hearings. Lemon Law complaint case processing has decreased slightly between FY 2019 and FY 2020.

Lemon Law Complaint Cases
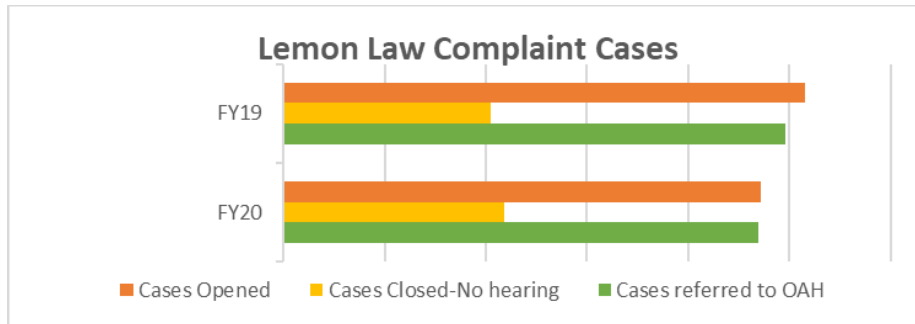
	FY 2019	FY 2020
Cases Opened	515	472
Cases Closed – No Hearing	205	218
Cases Referred to OAH	496	470

The division staff continues to work with IT on developing more comprehensive data tracking for cases in process and to define and implement efficiencies in line with Sunset recommendations.

Office of Administrative Hearings (OAH) Division

The Office of Administrative Hearings (OAH) was established to streamline the process of conducting hearings under Texas' Lemon Law. Texas was one of the first states to pass a Lemon Law to assist buyers and manufacturers with new vehicle warranty performance. OAH's customers include the motoring public and motor vehicle converters, distributors and manufacturers.

In FY 2020, OAH completed 474 Lemon Law and warranty performance complaints; each one in an average of 22 weeks, outperforming the target of 23 weeks established by the General Appropriations Act (GAA). OAH experienced a 4 percent increase in cases referred by the Enforcement Division – from 492 referrals in FY 2019 to 510 in FY 2020.

Also, in FY 2020, OAH produced an instructional video for public consumption describing the Lemon Law process and what to expect in a Lemon Law hearing. The video was created in coordination with an outside contractor and was posted on the department's external website, YouTube and Twitter in September 2020.

Motor Vehicle Crime Prevention Authority (MVCPA) Division

MVCPA is a division within TxDMV with a separate, governor-appointed board. MVCPA's enabling statutes are in Transportation Code, Chapter 1006 and the department provides support staff to the MVCPA under an interagency agreement. Further, MVCPA is required to report all activities and use of funds directly to the Legislature every year.

Two bills in the 86th Legislative Session directly impacted MVCPA. SB 604 changed the name from its former name, Automobile Burglary and Theft Prevention Authority (ABTPA), expanded its scope to fund, combat and report on fraud-related motor vehicle crime, and moved MVCPA's enabling statute to the Texas Transportation Code, Chapter 1006. The second, HB 2048 raised the fee collected by MVCPA from $2 to $4 per insured motor vehicle year. This fee is paid by insurers writing any form of motor vehicle insurance. The bill also requires 60 percent of the collected fee must be used to fund the state trauma centers, 20 percent must be used to fund MVCPA for the purposes under Chapter 1006, and 20 percent must be used to fund criminal justice programs.

MVCPA undertook the following activities in response to the expanded scope:

- Submitted revisions to the Texas Administrative Code (TAC), Title 43, Chapter 57 for MVCPA to reflect the legislative changes;
- Provided official notice on behalf of MVCPA to the Texas Comptroller's Office (CPA) and Texas Department of Insurance (TDI). The notice requested they review their instructions, website and rules to implement the new legislation;
- Reviewed and updated for compliance the assessment reports, online documents, mail forms and website;
- Communicated with TDI methods to notify all licensed insurance companies selling any form of motor vehicle insurance of the changes in name and fee amount;
- Worked to increase circulation of the TDI Commissioner's Bulletin #B-0006-19 notifying insurers of the name and fee changes starting September 1, 2019; and
- Drafted articles for publications with the Insurance Council of Texas to notify member insurers of the name and fee change through its weekly newsletter.

All of the activity undertaken by MVCPA will be reported in its statutory report, the MVCPA Activity and Funds Report, which is available on the TxDMV webpage for MVCPA Reports and Data.

The following table demonstrates measures reported by MVCPA grant recipients to the MVCPA Division for the statutory performance measures in FY 2019 and FY 2020:

STATUTORY REQUIREMENTS REPORTED BY MVCPA GRANT RECIPIENTS		
Activity	Fiscal Year 2019	Fiscal Year 2020
Recovered Stolen Vehicles	11,678	12,860
Cleared Motor Vehicle Theft Cases	13,491	19,258
Persons Arrested for Motor Vehicle Theft	3,257	3,593
Cleared Burglary of a Motor Vehicle Cases	2,565	2,419
Arrested for Burglary of a Motor Vehicle	930	736
Cleared Fraud-related Motor Vehicle Crime Cases -NEW	N/A	134
Persons Arrested for Fraud-related Motor Vehicle Crime-NEW	N/A	51

Compliance & Investigations Division (CID)

CID is now in its third year of existence and consists of two major sections. The Special Investigations section concentrates on investigations of criminal elements. The Field Services section focuses on compliance, training and accountability within county tax assessor-collector and TxDMV offices.

Criminal Investigations

CID's Special Investigations section is an administrative section that supports law enforcement by investigating administrative records for potential vehicle-related fraud to refer to law enforcement, focusing on those cases with a high probability of return on investment, vehicle crimes that pose public safety concerns, and public corruption allegations within county tax offices and TxDMV.

For Calendar Year 2020, the Special Investigations section has referred 64 potential felony investigations to law enforcement using these criteria, resulting in 50 felony arrests and the execution of 10 search warrants by law enforcement. The arrest warrants issued by law enforcement ranged from felony violations of Texas Transportation Code, Texas Penal Code, and Texas Tax Code. All offenses were first, second and third-degree felonies.

CID has a current return on investment (ROI) of $65.4 million with an identified fraud loss of $8.79 million. The ROI (associated with full adjudication) is a total of court-ordered fines, penalties, restitution and dollar value of recovered stolen vehicles by law enforcement. The identified fraud loss (current on-going investigations, not fully adjudicated) is the dollar value associated with stolen vehicles, dollar value of fraudulent salvage vehicles titled, false ownership on title documents underrepresenting sales price, and dollar values associated with a false application for title.

TYPES	DEFINITIONS
Odometer Fraud	Odometer tampering is a form of fraud committed by an individual or dealer who rolls back the odometer on a vehicle and resells it to an individual or wholesale buyer. The odometer reading is reduced to increase the resale value of the vehicle.

Title Fraud	Title fraud is the alteration of any documents required by the department necessary to transfer a title. This could include an altered or fake title, false information on an Application for Texas Title Form 130-U, false release of lien or false rebuilt affidavit.
Registration Fraud	Registration fraud is fraudulent data reported or entered in the RTS database to reduce or eliminate vehicle registration fees.
Cloned Vehicles	The practice of removing a vehicle identification number from a legal vehicle and attaching it to a stolen or salvage titled vehicle to conceal the true identity of the vehicle.
Corruption/Misuse of Office	Officials and employees in tax assessor-collector offices intentionally misusing their position for personal gain and/or engaging in theft, forgery, kickbacks, bribery, access selling, falsifying official documents, intentional destruction of official documents to obstruct justice, or selling official equipment.
Internal Investigations	TxDMV employees involved in any type of internal criminal activity to include theft, forgery, bribery, selling/providing personal and confidential information, or making false statements on official documents.

Outreach Efforts
TxDMV embeds investigators in auto theft task forces in Harris and Tarrant counties. CID engages with nine fusion and intelligence centers in Austin, Dallas, Fort Worth, McKinney, Houston, San Antonio, McAllen and El Paso to discuss areas of collaboration. In FY 2020, CID held meetings with the MVCPA, National Odometer and Title Fraud Enforcement Association (NOTFEA), and American Association of Motor Vehicle Administrators (AAMVA). Additionally, CID received approximately 478 requests for assistance from federal, state, and local law enforcement agencies in FY 2020. Due to impacts from the COVID-19 pandemic, this was a 60 percent decrease from the 1,200 requests for assistance in FY 2019.

Field Services Section
Field Service representatives are situated within 12 RSCs spread out across the state and provide compliance services to all 254 county tax offices. Their roles require constant contact with county tax assessor-collectors and their employees to provide the following services:

- Conduct recurring compliance reviews at tax assessor-collector offices to identify risks and mitigate them by providing recommendations to county personnel;
- Provide title fraud training to tax assessor-collector office employees on title examination strategies and mitigating fraud;
- Perform annual license plate and asset inventories to confirm accountability of state resources used in tax assessor-collector offices;
- Assist when a tax assessor-collector transitions out of office by conducting full inventories and a compliance review jointly with the outgoing and incoming tax assessor-collectors; and
- Support ongoing investigations by providing subject matter expert guidance on tax assessor-collector processes and policies involving titles and registrations.

Field service representatives also provide on-demand training to other stakeholders, such as county auditors and law enforcement. CID's unique position allows personnel to work in partnership with RSC staff to identify and resolve compliance issues identified with tax assessor-collector offices. This allows for rapid identification of issues, which are then addressed by RSC managers for resolution.

FIELD SERVICES SECTION – 2020 DATA
890 tax assessor-collector compliance reviews • Field service representatives visited and completed compliance reviews at all 254 counties, with only 30 visits concluding with concerns and recommendations (3.4 percent of reviews for the period).
520 asset inventories • Field service representatives validated 6,710 assets at county locations with only 18 assets unaccounted statewide.
11 tax assessor-collector transition inventories

Leveraging Technology
The division collaborated with the Information Technology Services Division to procure, develop and deploy:

- Reports analyzing data to identify vulnerabilities regarding fraud, waste and abuse in 254 tax assessor-collector offices;
- Mapping software with hyperlink capability to address program vulnerabilities in real-time, allowing TxDMV to efficiently and rapidly deploy personnel and resources to those identified areas throughout the state; and
- Cutting-edge social media link analysis systems to support criminal investigations and law enforcement stakeholders.

Training and Educational Activities
CID continues to provide training to county tax assessor-collector employees and law enforcement personnel in Texas and in other states. In 2020, CID facilitated 70 classes reaching 1,216 attendees. The classes reached a wide variety of stakeholders, including county tax officials, law enforcement, insurance and banking officials, and other regulatory authorities. The division primarily teaches the Red Flag Title Fraud Class that provides instructions for detecting vehicle fraud such as title, odometer and tax fraud. Classes are provided to auto theft investigators at MVCPA and National Insurance Crime Bureau (NICB) Auto Theft Schools to educate personnel on detecting these types of fraud, assisting with preparing a criminal case for prosecution, and assisting with the information that might be helpful to record in search and arrest warrants affidavits.

Consumer Relations Division (CRD)

CRD is TxDMV's contact center with a business model that focuses on delivering a high-quality service experience at the initial point of contact. The division serves a wide customer base that includes the motoring public and all industries and stakeholders served by TxDMV. With a continuous focus on quality, CRD also maintains a department database to track consumer complaints, resolutions, compliments and suggestions.

CRD's objective is to provide frontline customer care support and technical assistance via any communication channel the customer chooses (telephone, email, letter or website). The major activities of the division include providing:

- Assistance to the public regarding:
  - Bonds;
  - Complaints against motor vehicle dealers, motor carriers, and household movers;
  - Department complaints;
  - Disabled plates and placards;
  - Legal restraints;
  - Lemon Law;
  - License plates;
  - Military personnel requests;
  - Motor vehicle dealer licensing, applications and renewals;
  - Salvage dealer inquiries;
  - Titling vehicles;
  - Toll disputes; and
  - Vehicle registration.
- Level 1 Registration and Title System Help Desk support for tax assessor-collectors.
- Level 1 eLICENSING Help Desk support for Texas Motor Vehicle Dealers and Salvage Dealers.
- Customer and stakeholder technical troubleshooting and web navigation support for department-related programs, applications and systems.

TxDMV has experienced an increased number of customers served through the contact center each year. Since the agency was created in FY 2011, customer volume has increased 96 percent. Customer contacts to the department are consumer-driven. However, factors such as increases in overall population and changes in TxDMV technology applications are likely to be contributing factors.

FY 2011 - FY 2020
Customer Contacts Received and Served
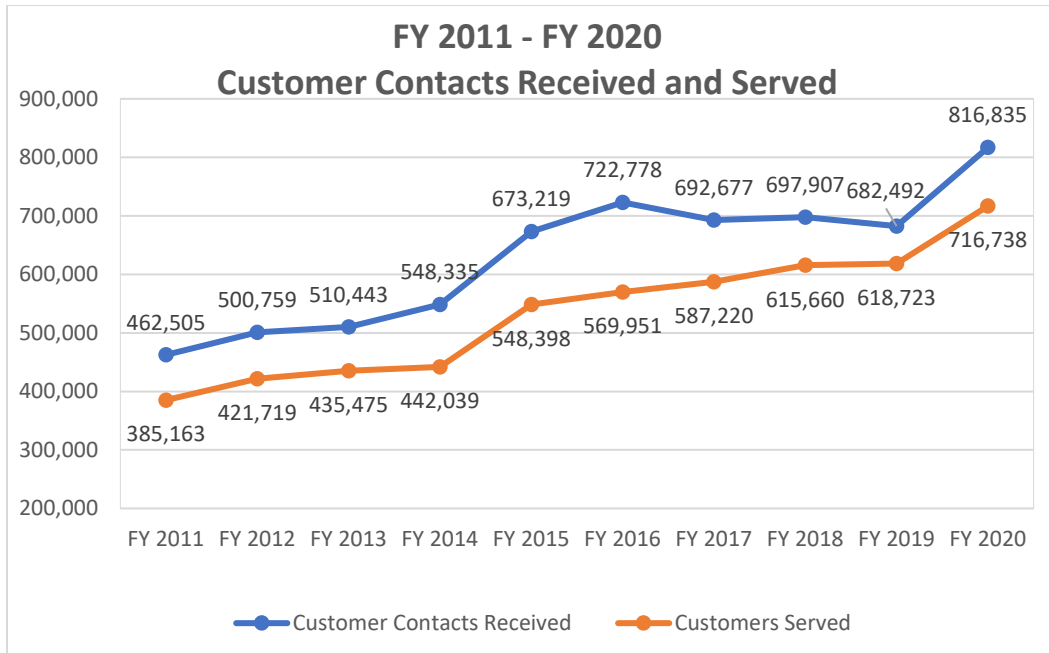
In FY 2020, the contact center had a significant spike in customer contacts primarily due to the motor vehicle-related suspensions in effect due to the COVID-19 pandemic. Customer outreach increased 20 percent compared to FY 2019, resulting in over one million customer service actions required of the division this year.

Despite the heavy workload, the division maintained the same high marks on customer satisfaction with a 95 percent above average approval rating as last year.

CRD Customer Satisfaction Survey Ratings by Month
September 2019 – November 2020
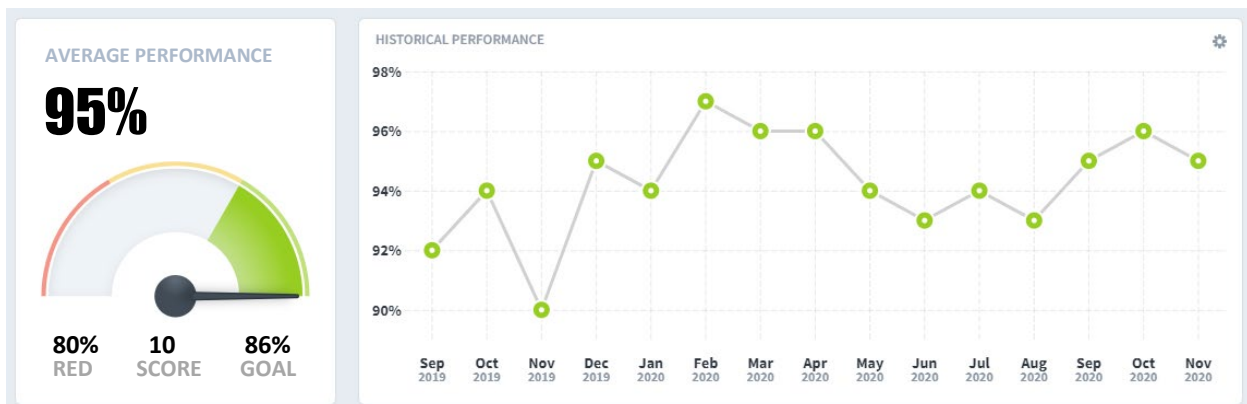
The department projects the customer contacts will increase in FY 2022 and FY 2023, but at a more modest growth rate and in line with historical trends.

Facilities

TxDMV is headquartered in Austin, Texas, at the Camp Hubbard Campus, 4000 Jackson Avenue, and maintains 16 RSCs and offices across the state. In addition, the department maintains off-site warehouse space in Austin.

TxDMV Regional Service Centers
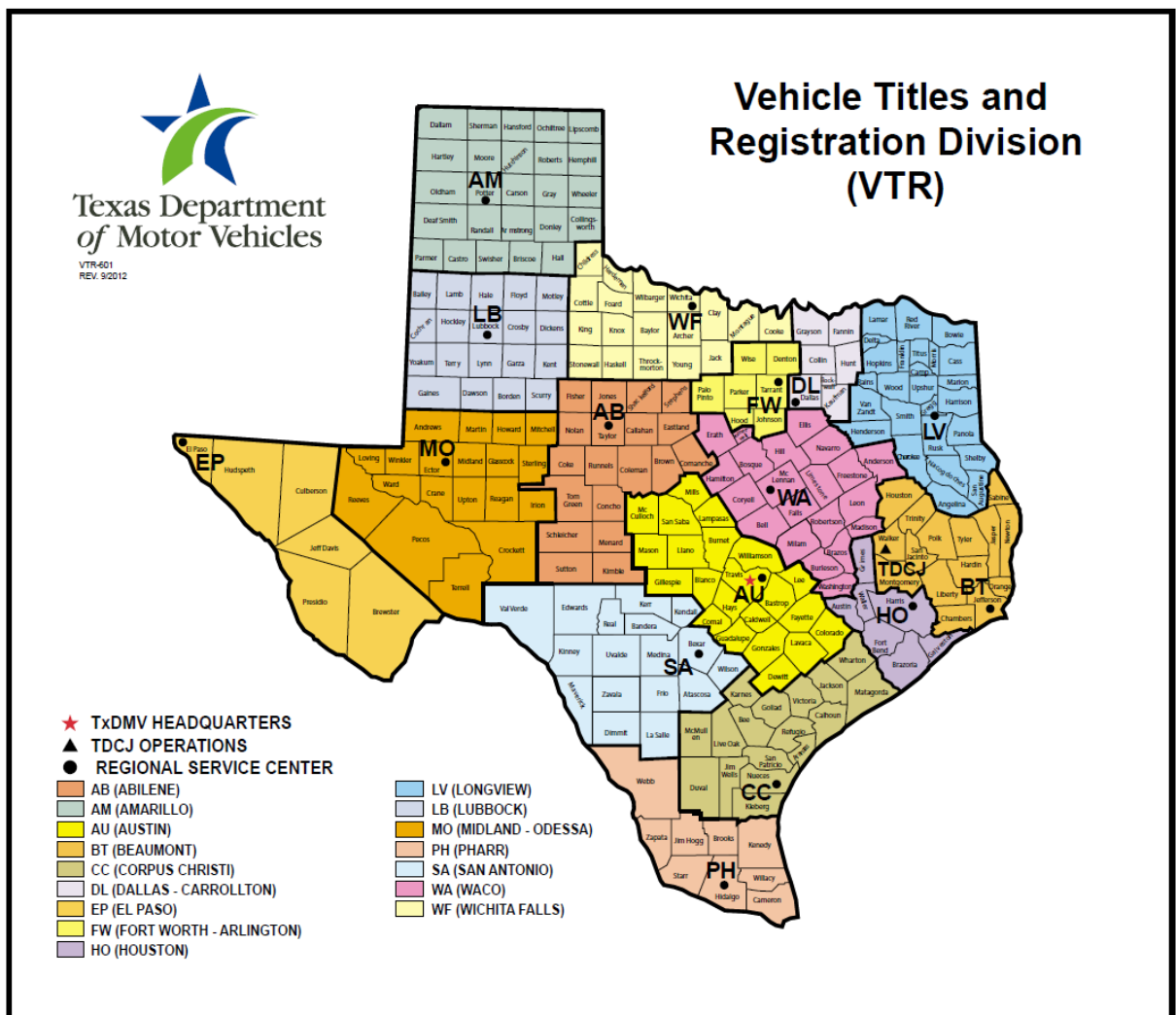
The Camp Hubbard Campus is currently owned by the Texas Department of Transportation (TxDOT). TxDOT provides facilities-related needs and repairs (roof leaks, plumbing issues, grounds maintenance, etc.) and facility staff at cost through an annual interagency contract with TxDMV for the TxDMV-occupied buildings.

Senate Bill 1349, 85th Legislature, Regular Session
The enactment of S.B. 1349 granted TxDMV the authority to lease, buy, improve and sell property. The bill also granted TxDOT the legal authority to donate two tracts of property and the associated parking adjacent to the Camp Hubbard Campus to TxDMV. TxDMV and TxDOT have determined that a transition

of the Camp Hubbard Campus should likely occur once TxDOT has transitioned smoothly to its new headquarters in south Austin in late 2021.

Transitioning Facilities and Maintenance

The 85th Legislature, Regular Session, provided TxDMV additional funding for three FTEs to handle facilities and maintenance needs independently from TxDOT. TxDMV and TxDOT determined that this approach would be mutually beneficial.

In late 2018, TxDMV established a Facilities and Maintenance Transition Work Group comprised of TxDMV and TxDOT staff to support the transition of these duties. Specific activities associated with facilities general maintenance and repairs at TxDMV headquarters have transitioned to TxDMV. These include janitorial, landscaping/lawn care, pest control, and some minor repairs and general maintenance as staff skillsets allow.

In continued collaboration with TxDOT, the department has been progressively assuming maintenance, rehabilitation and renovation-related needs associated with TxDMV-occupied facilities and parking lots at Camp Hubbard. TxDMV also began developing policies and procedures to define operations to include facilities-related project management and oversight, maintenance and tracking, physical security and security guard services. A TxDMV facilities steering committee was also established in early 2019. Similar to TxDMV's approach to technology projects, the steering committee reviews proposed facilities-based project charters that describe the approach that will be used for each project, as well as documentation of duties and responsibilities delegated to project team members.

TxDOT recently advised TxDMV that they anticipate beginning to move off of their numerous campuses to their newly-built south Austin consolidated campus between November 2021 and February 2022. In anticipation of the TxDOT move, facilities staff developed a transition plan that lists items currently handled by TxDOT and reviewed those items to determine important factors such as potential costs, funding availability, and needs as well as appropriate transition timelines.

Technological Improvement through Enterprise Projects

TxDMV's Information Technology Services Division (ITSD) supports the department's vision, mission and strategic goals through the deployment, management and support of software and systems used daily by agency customers. By employing standardized project management practices, software and systems lifecycle processes, and information technology governance principles, ITSD ensures it supports the board's strategic initiative to continuously improve services for all customers.

ITSD is also responsible and accountable for advancing the agency's vision, mission and strategic goals through the application of standardized project management practices, processes and governance. The primary customers are the TxDMV Board, executive director, governance team and employees. The ultimate customers of ITSD are the motoring public in Texas.

Projects Closed in 2020

Each of the projects closed in 2020 were improvements and enhancements previously identified by TxDMV leadership, tax assessor-collectors (TACs), and external stakeholders. By closing these projects, the department has created a framework for enhanced business processes that will help drive a more modern, responsive, customer-oriented organization.

External Website Renovation
The public-facing website was deployed October 19, 2020. The project renovated and improved both the appearance and functionality, and created a more personal and engaging user experience by using integrated customer analytics and providing round-the-clock availability in both English and Spanish to department services and information.

Infrastructure Improvement Projects
Maintaining the currency of the IT systems is critical to providing ongoing, reliable services to agency customers. TxDMV has two projects continuing in 2020 that will upgrade existing firewalls, fiber aggregation core and core campus switchgear systems to current versions.

RTS Training Environment
As a direct response to requests from TACs, the department developed a "sandbox" environment for the county offices to use for training purposes that were deployed February 4, 2021. The new training environment allows TAC employees to practice using RTS in a safe environment that replicates the live system.

RTS County Reports
Prior to the completion of the RTS County Reports project in February 2020, TAC customers did not have the ability to access fraud or transaction reports independently without interaction with the department. Now, each county office can identify select employees to access their respective county fraud and transaction reports through RTS. Efficiencies have been realized for both TxDMV and TACs now that these reports are available.

Digital License Plates (DLP)
The DLP project created an electronic or Application Programing Interface (API) integration solution. This solution provides the ability for the DLP vendor to transfer data to and from the department about the sales of digital license plates to customers who chose to participate in this new service offering.

My Plates
This project consolidated all specialty license plates in one area or online store for customers to purchase and support a variety of programs.

COVID-19 Supporting Features and Functionality
As a result of the COVID-19 pandemic, modifications were needed to RTS and related systems to accommodate orders from the governor that suspended the requirements for registration renewals.

- Modified the e-Reminder process;
- Flattened the Specialty License Plate insignia file to allow for emailing;
- Paused the expired Specialty License Plate purge process;
- Added new ownership evidence type to accept webSALVAGE transactions in RTS and webDEALER;
- Implemented Delinquent Transfer Penalty Fee suspension for RTS and webDEALER; and
- Modified Internet Vehicle Title and Registration System (IVTRS) and webSUB to allow customers to process renewals for registrations that are expired up to nine months.

Active Projects in 2021

Many ITSD projects to be implemented in 2021 will provide enhanced customer service, while others will allow for continued support and stability. Each of the following projects fundamentally supports the TxDMV Board's strategic initiative to continuously improve services for all customers.

RTS Process Improvement Projects
ITSD continues to make improvements and enhancements to RTS. Some of these improvements include new functionality and services such as the ability to create new license plates and accept credit cards in the RSCs. Other improvements include improved system deployment time by leveraging new resources provided by the 86th Legislature for systems development and automated systems testing.

webLIEN
The webLIEN project will provide a new web-based, self-service application supporting additional business processes and automation to department customers securing liens electronically with TxDMV. The project will leverage and enhance existing department systems called webDEALER and Electronic Lien Title (ELT).

Call Center Upgrade
The Call Center Upgrade project will improve the department's current call center technology suite to more current versions. With the enhancement, new features will be available for deployment that will improve the user experience. These features will allow for more robust call handling options that can positively impact the caller experience, especially during peak call times.

Texas by Texas (TxT)

This is a new secure, native mobile application platform featuring a Single Sign On (SSO) and Multifactor Authentication (MFA) technologies to Texas citizens, customers, and employees, thus allowing them the ability to do business with TxDMV -- anytime, anywhere and from any device.

Initially, TxT will be designed to allow registration renewals with the ability to add future and/or additional applications later. The concept will revolutionize the way the agency interacts with its customers.

Statewide webDEALER Adoption (SWA)

This is an effort to enhance and add new features and new functionality to the current webDEALER application so it can be used to increase statewide adoption and usage. SWA webDEALER offers new functionality to the current webDEALER platform to better assist the counties' ability to process dealer transactions.

Texas International Registration Program (TxIRP)

The purpose of this project is to improve the TxIRP online users' experience, reduce out-of-state fraud, develop a responsive design system allowing for a complete update of the current base system software application, and maintain all current Texas-specific functionality. Also included in the project is a redesign with the latest web technology that includes approximately 200 TxIRP web pages that are made available to users through handheld and mobile devices for easier motor carrier data updates.

TxIRP will allow 24-hours a day, seven-days a week access to customers who want to self-serve when it's convenient for them. This application will also be mobile-friendly for our motor carrier customers.

Password Reset

This project allows dealers to self-service or request a password reset on their own account(s) without having to contact support staff.

Certified Electronic Copy of Title (CCO)

This project allows customers and users to request self-service for Certified Copies of Title (CCOs) by using an automated electronic solution which can be initiated and competed online.

Legislative Update

86th Legislature

The TxDMV Board (board) is charged with considering opportunities to improve department operations and recommending statutory changes to the Texas Legislature under Texas Transportation Code §1001.025. The board's 86th Legislative Agenda resulted in the passing of bills improving customer service and operations for the department and stakeholders, including:

- House Bill (HB) 2620 by Rep. Martinez incorporated the board's recommendations related to vehicle sizes and weights. These provisions include:
  - Standards set in statute and rule for escort vehicles and flaggers to be used with oversize/overweight (OS/OW) permits;
  - The individual/entity using an OS/OW permit must be the individual/entity named on the permit;
  - A permit can be denied to a motor carrier who has been placed out-of-service by the Federal Motor Carrier Safety Administration (FMCSA) or similar Texas Department of Public Safety (DPS) rating;
  - Unless otherwise set by law, 10 percent of fees for any permit type created in 2021 or later will be deposited into the TxDMV Fund;
  - The statute specifies that vehicles operating under a permit must carry the permit in the vehicle;
  - A certificate of weight must be provided by shippers if the individual/entity transporting the shipment requests one;
  - For weights greater than 200,000 pounds, the department must receive a certificate of weight before issuing a permit;
  - Loading more than allowable sizes can now be subject to department administrative enforcement; and
  - An outdated provision specifying how the department offers permits by telephone was repealed.
- HB 2834 by Rep. Canales made information from investigators of licensees (such as vehicle dealers and motor carriers) confidential. The bill did not pass, but its provisions became law as an amendment to Senate Bill (SB) 604, the department's continuing Sunset legislation.
- HB 2835 by Rep. Canales creates an affirmative defense for operating a vehicle with expired registration. The defense lasts for 30 days if the person's tax assessor-collector's office is closed for a protracted period as defined by the department. This will assist customers in need of renewal services if a disaster occurs that results in office closures.
- HB 3842 by Rep. King of Zavala repeals a provision related to consignment sales by dealers, clarifying dealers can only sell vehicles from locations specified on their license.

87th Legislature

TxDMV's Government & Strategic Communications (GSC) Division worked with all department divisions and offices to identify statutory changes the board could recommend in its legislative agenda, and all proposals were evaluated by impacted stakeholders as well as advisory committees.

The board adopted several concepts as official recommendations to the Legislature at its October 2020 and December 2020 meetings. Discussions are underway with members of the Legislature for potential filing as bills. The proposed agenda for the 87th Legislative Session is on the TxDMV webpage for Board and Other Public Meetings. Refer to the Materials tab for the October 1, 2020, meeting *(Agenda Item*

10.D) and the December 10, 2020, meeting *(Agenda Item 13.C)*. The "New Recommendations" section below also provides details on the proposals.

New Recommendations
The TxDMV Board Recommendations to the 87th Legislature include the following concepts:

- To prevent temporary tag abuse without negatively impacting those who need the system to conduct daily business, grant rulemaking authority to the department to develop rules establishing a limit on the total number of temporary tags a dealer may issue through the eTAG system, and allowing a dealer to make a request to the department to issue additional tags *(adopted February 2021)*;
- To assist customers when a dealer goes out of business, increase the amount of the financial security surety bond for independent vehicle dealers from $25,000 to $50,000 and require the department and the dealer to provide consumers with information regarding the filing of a claim against the surety bond *(adopted February 2021)*;
- To further protect department data, expressly prohibit an individual or entity who becomes ineligible to receive motor vehicle-related personal information from retaining information already received. This proposal also creates a specific penalty for noncompliance *(adopted December 2020)*;
- Temporary permits can be purchased for an unregistered vehicle to operate that vehicle for a limited period. Statute does not expressly require that a 72-hour/144-hour temporary permit be carried in the vehicle. Statute also requires single-trip/30-day temporary permits to be displayed in the rear window rather than on the rear license plate area, which can create confusion with temporary tags and can reduce general visibility of the permit. Also, statute references "tag" instead of the term "permit" in a few locations, which is confusing *(adopted December 2020)*;
- To streamline efficiencies within TxDMV, clarify how appraisers report dealers on property tax inventory declarations and provide more flexibility with the process *(adopted October 2020)*;
- During the 84th Legislative Session in 2013, HB 2741 and HB 1692 both passed and amended the same subsection differently. This change replaces the differing subsections with language reflecting current practice of hearings under the Transportation Code to follow the same procedures used in Occupations Code and the Administrative Procedure Act *(adopted October 2020)*;
- To streamline department processes and help motor carriers with obtaining certain oversize and overweight (OS/OW) permits, remove outdated bond requirements. Also, remove a requirement for motor transportation brokers to file a $10,000 bond with the department. Only four brokers are currently filing bonds with the department *(adopted October 2020)*;
- Clarify provisions for motor carriers previously approved by the TxDMV Board, to include "truck tractor" to the exclusions from the two-plate requirement as they only display one plate, update the definition of "weight tolerance permit" to match the Texas Department of Transportation's (TxDOT) grant program language, clarify the carrying of registration receipts for certain token trailer plates and align ready-mix concrete truck permit axle counts with legal limits *(adopted October 2020)*;
- Align Texas size and weight statutes with federal standards and current practice as previously approved by the TxDMV Board *(adopted October 2020)*;
- Remove MVCPA grants from an outdated TxDOT reporting requirement *(adopted October 2020)*;

- Align the statute with long-standing rules allowing for recovery of costs to denied MVCPA refunds, as well as align the statute with the Comptroller's statutory authority to collect penalties and interest on late fee payments and reporting *(adopted October 2020)*;
- Update references to "Motor Vehicle Board" to "Texas Department of Motor Vehicles Board;"
- Provide more efficiency in Lemon Law and warranty performance cases through reinstating the Public Information Act exception that was repealed in SB 604 (86th Legislature), clarify who issues final orders, provide for fee reimbursement by statute and allow rehearing motions to be decided by someone other than chief hearings examiner *(adopted October 2020)*;
- Align the effective date of local fee changes with the registration expiration month *(adopted October 2020)*;
- Provide clean-up language for various license plate references to align with similar license plate requirements or have not received a request to be manufactured within five years of when created in statute *(adopted October 2020)*;
- Clarify the process to place title-holds during lawsuits and clarify that salvage and nonrepairable motor vehicles are not eligible for title hearings or bonds *(October 2020)*; and
- Updates to the Texas Title Act *(adopted December 2020)* include:
  - Current statute requires the issuance of a salvage vehicle title before a rebuilt Texas title can be obtained, and salvage dealers must apply for a salvage vehicle title when scrapping a vehicle that has been bought at certain auctions. The proposed change would allow a vehicle with an out-of-state title comparable to a salvage vehicle title to be issued a rebuilt Texas title without the owner first having to apply for a salvage vehicle title with the department. This would eliminate the need for stakeholders to apply for a salvage vehicle title just to surrender it for another title and the need for department staff to process an unnecessary application. Also, allowing salvage dealers that purchase vehicles from law enforcement auctions or foreclosure sales to use an auction sales receipt to report vehicles that are being scrapped, dismantled or destroyed would eliminate an unnecessary application for salvage dealers and processing by department staff;
  - Remove statutory references to ensure that no legal differences exist between printed and electronic titles, except when necessary. Examples of necessary differences between printed and electronic titles would include not requiring an individual to receive an electronic title or changing signing requirements for printed titles such as in Transportation Code §501.021(c) and §501.028(a); and
  - Current statute requires a vehicle to have been issued a paper title in Texas or another state for insurance companies to apply for a title when unable to obtain the current title for the vehicle. The proposed change would allow insurance companies to obtain a title for a new vehicle that has been damaged, but not yet titled, and for vehicles that have been issued an electronic title. It would also allow insurance companies to be issued an electronic title when following this process.

Stakeholder Involvement
Department staff worked with the TxDMV Board to establish advisory committees and involved stakeholders through the development of the legislative agenda to understand potential impacts to the department and industries. The stakeholders involved in this process included:

- Alliance of Automobile Manufacturers;
- Chief Tax Appraisers;
- Tax Assessor-Collectors Association;

- Texas Association of Counties;
- Texas Conference of Urban Counties;
- Texas Farm Bureau;
- Texas Automobile Dealers Association;
- Texas Automotive Recyclers Association;
- Texas Independent Automobile Dealers Association;
- Texas Recreational Vehicle Association;
- Texas Trucking Association;
- Motor Transportation Brokers;
- Texas Southwest Cattle Raisers Association;
- Texas Oil and Gas Association;
- Texas Towing and Storage Association;
- Texas Department of Public Safety;
- Texas Department of Transportation;
- Texas Comptroller of Public Accounts; and
- multiple insurance, trade and law enforcement entities in the salvage motor vehicle industry.

Conclusion and Looking Down the Road

TxDMV embraces the opportunities and challenges that lie ahead to achieve its mission "to serve, protect and advance the citizens and industries in the state with quality motor vehicle-related services." This mission will be accomplished through the continuous focus on the board's goals of being customer centric, optimizing services and innovation, and being performance-driven, now and in the future.

The department identified several over-arching themes underlying its strategic plan. These themes are interwoven throughout the goals and activities plan and include:

- Increasing needs to protect the public and consumers – both from a public safety perspective and an information security (personal and departmental information) perspective;
- Monitoring and responding to consumers' changing needs and preferences for more mobile or web-based self-service options for obtaining products and services;
- Responding to Texas' changing demographics and the impact on products and services needed; and
- Rising to the challenge of balancing the need to be "good stewards" of the state's resources while also responding to the need to attract the right talent in a competitive labor market.

As always, the TxDMV Board and department staff are ready to work with the Legislature on statutory updates and changes designed to improve motor vehicle-related services for all Texans.

Appendices

Appendix A: TxDMV Organizational Chart

Appendix B: TxDMV Board Members

Appendix C: TxDMV Executive Contact Information

Appendix D: Sunset Implementation Chart

Appendix E: List of MVCPA Grants Awarded for 2020

Appendix F: TxDMV Staff Participation in State and National Organizations

Appendix A: TxDMV Organizational Chart

Governor of Texas
Greg Abbott

Motor Vehicle Crime Prevention Authority Board of Directors

Texas Department of Motor Vehicles Board

Board Liaison*
Carrie Fortner

Executive Director
Whitney Brewster

Deputy Executive Director
Shelly Mellott

Deputy Executive Director
Daniel Avitia

Office of the General Counsel*
Tracey Beaver

Internal Audit Division*
Sandra Menjivar-Suddeath

Office of Innovation & Strategy*
Tom Shindell

Government & Strategic Communications Division
Caroline Love

Employee Ombudsman
Leah Leone

Motor Vehicle Crime Prevention Authority
Bryan Wilson

Office of Administrative Hearings
Edward Sandoval

Compliance and Investigations Division
(Vacant)

Human Resources Division
Matthew Levitt

Enforcement Division
Corrie Thompson

Finance and Administrative Services Division
Linda Flores

Vehicle Titles and Registration Division
Roland D. Luna, Sr.

Motor Vehicle Division
Monique Johnston
(Interim Director)

Consumer Relations Division
Ginny Booton

Information Technology Services Division
William A Grote, Jr.

Motor Carrier Division
Jimmy Archer

*Position has dual reporting to TxDMV Board and Executive Director

Updated: 02/06/2021

Appendix B: TxDMV Board Members

The nine-member TxDMV Board oversees and coordinates the development of the department and ensures all components of the motor vehicle industry function as a system. The board also sets policy through promulgating rules to ensure all components of the motor vehicle industry function as a system. The board continues to create policy that protects the interest of the public and industry and increases the economic prosperity of the state of Texas.

BOARD MEMBER	TERM AND APPOINTED BY	STATUTORY QUALIFICATION	RESIDENCE CITY
Guillermo "Memo" Treviño, Chair	9/2/2015 – 2/1/2021 Appointed by Abbott Appointed Chair 3/26/2019	Customer (Public) Representative	Laredo
Charles Bacarisse, Vice Chair	3/26/2019 – 2/1/2025 Appointed by Abbott	Customer (Public Representative)	Houston
Stacey Gillman	3/26/2019 – 2/1/2025 Appointed by Abbott	Franchised Auto Dealer	Houston
Brett Graham	8/23/2016 – 2/1/2017 Appointed by Abbott 7/30/2018 – 2/1/2023 Reappointed by Abbott	Franchised Auto Dealer	Denison
Tammy McRae	3/26/2019 – 2/1/2025 Appointed by Abbott	Tax Assessor – Collector	Conroe
John Prewitt	7/30/2018 – 2/1/2023 Appointed by Abbott	Motor Carrier Industry	Cypress
Manuel "Manny" Ramirez	11/3/2019 – 2/1/2021 Appointed by Abbott	Law Enforcement	Fort Worth
Paul Scott	7/30/2018 – 2/1/2023 Appointed by Abbott	Independent Auto Dealer	Lubbock
Vacant		Vehicle Manufacturing / Distributing Industry	

Appendix C: TxDMV Executive Contact Information

TxDMV DIRECTOR CONTACT INFORMATION	
Whitney H. Brewster, Executive Director	whitney.brewster@txdmv.gov
Shelly Mellott, Deputy Executive Director	shelly.mellott@txdmv.gov
Daniel Avitia, Deputy Executive Director	daniel.avitia@txdmv.gov
Jimmy Archer, Director, Motor Carrier Division	jimmy.archer@txdmv.gov
Tracey Beaver, General Counsel	tracey.beaver@txdmv.gov
Ginny Booton, Director, Consumer Relations Division	ginny.booton@txdmv.gov
Linda Flores, Chief Financial Officer	linda.flores@txdmv.gov
William A. "Butch" Grote Jr., Chief Information Officer	william.grote@txdmv.gov
Monique Johnston, Interim Director, Motor Vehicle Division	monique.johnston@txdmv.gov
Matthew Levitt, Director, Human Resources Division	matthew.levitt@txdmv.gov
Caroline Love, Director, Government & Strategic Communications	caroline.love@txdmv.gov
Roland Luna, Director, Vehicle Titles & Registration Division	roland.luna@txdmv.gov
Sandra Menjivar-Suddeath, Director, Internal Audit Division	sandra.menjivar-suddeath@txdmv.gov
Edward Sandoval, Chief Hearings Officer, Office of Administrative Hearings	edward.sandoval@txdmv.gov
Corrie Thompson, Director, Enforcement Division	corrie.thompson@txdmv.gov
Bryan Wilson, Director, Motor Vehicle Crime Prevention Authority	bryan.wilson@txdmv.gov
(vacant), Director, Compliance & Investigations Division	

Appendix D: Sunset Implementation Chart

Department Staff Report with Final Results
Senate Bill 604 by Sen. Dawn Buckingham, Rep. Chris Paddie

BILL REFERENCE	RECOMMENDATION NUMBER	BILL PROVISION	IMPLEMENTATION STATUS
Page 3, Line 27 to Page 4, Line 18	Added by Commission	Update the Sunset across-the-board requirement that requires agencies to adopt policies clearly delineating the policymaking functions of the board from the day-to-day administration of the agency, to clarify the division of responsibilities between the DMV board and its executive director.	**No action necessary.** The department's existing rules and policies comply with this requirement. **Documentation:** • 43 TAC §206.1 and §206.2 • Board Governance Policy (01) • Strategic Planning Policy (02) • Department Goals and Objectives (03) Agency Operational Boundaries as Defined by Department Policies of the Board (04)
Page 1, Line 9–12	5.1	Continue the TxDMV until September 1, 2031.	**No action necessary.**
Page 1, Line 15 to Page 3, Line 24; Page 6, Line 16 to Page 7, Line 4	1.4	Updates and modifies the standard Sunset across-the-board requirement related to board member training, including an annual attestation that the board member receives training that includes information and guidance about the board's rulemaking authority. Requires training to include information on the board's authority and limits on PFDs from SOAH.	**Complete.** Training materials updated to meet statutory requirements January 22, 2020. **Documentation:** • Board Training Manual (05) • Board acknowledgements (06)
Page 2, Lines 7–22	Added by Legislature	Updates anti-competitive board member training requirements.	**Complete.** *See Recommendation Number 1.4* **Documentation:** *See Recommendation Number 1.4*
Page 3, Lines 21–24	Added by Legislature	Requires annual attestation of reception and review of board member training manual.	**Complete.** *See Recommendation Number 1.4* **Documentation:** *See Recommendation Number 1.4*
Page 4, Line 21 to Page 5, Line 6	5.3	Adds standard across-the-board Sunset language requiring TxDMV to maintain information on all complaints and notify the parties about policies for and status of complaints.	**Complete.** Disciplinary matrices were added to the department's website to inform motor carriers and dealers about how violations are charged. Both the Complaint Management System and eLICENSING notify parties of cases of the case status. Documentation:

BILL REFERENCE	RECOMMENDATION NUMBER	BILL PROVISION	IMPLEMENTATION STATUS
			• Link to Independent (GDN) Motor Vehicle Dealers List on the department's website: https://txdmv.force.com/dealers/ motorvehicledealerlistsaging • Link to Motor Carrier/Household Goods Mover Complaint Entry System on the department's website: https://apps.txdmv.gov/APPS MCCS/cms/ees_main.asp • Motor Vehicle Disciplinary Matrix and Motor Carrier Disciplinary Guidelines available on the department's website: https://www.txdmv.gov/public ations • Motor Vehicle Case History Implementation (07) • Motor Vehicle Sample Ticket (08) • Motor Carrier Case Information (09)
Page 5, Line 7 to Page 6, Line 1	1.6	Adds standard across-the-board Sunset language requiring policymaking body to develop a policy that encourages use of negotiated rulemaking and alternative dispute resolution.	**Complete**. • Board adopted a policy encouraging the use of negotiated rulemaking procedures under Government Code, Chapter 2008 (June 11, 2020). • Board adopted a policy encouraging the use of appropriate alternative dispute resolution procedures that conform, to the extent possible, to model guidelines issued by SOAH for internal and external disputes – obtained a copy of the SOAH model guidelines (June 11, 2020). **Documentation:** • Negotiated Rulemaking and Alternative Dispute Resolution Policy (10)
Page 6, Lines 4-11; Page 6, Line 14	Added by Legislature	Provides that complaint investigations related to the sale or lease of an automobile, salvage vehicle dealers, dealer's and manufacturer's vehicle license plates, and motor carrier	**No action necessary.**

BILL REFERENCE	RECOMMENDATION NUMBER	BILL PROVISION	IMPLEMENTATION STATUS
		registrations are confidential until the investigation is dismissed or finally resolved, but only if the disclosure of the information would interfere with or jeopardize the investigation. Repeals existing confidentiality provisions related to investigations related to the sale of an automobile under Occupations Code, 2301.612.	
Page 6, Lines 13 and 15	1.5	Removes the board's exemption from providing balanced representation on its advisory committees.	**Complete.** Rules effective August 29, 2019. **Documentation:** • 43 TAC §§206.93 • (43 TAC §206.94 and §206.95 repealed)
Page 7, Line 8 to Page 9, Line 27; Page 13, Lines 15–17; Page 14, Lines 26–27; Page 15, Lines 1–23	4.2	Eliminates the motor vehicle representative and salvage agent licenses.	**Complete.** Rules effective January 2, 2020. **Documentation:** • 43 TAC §221.1 and §221.2 (43 TAC §215.102 repealed)
Page 10, Lines 1-14	Added by Legislature	Reinstates the department's shows and exhibitions notice and approval process for all vehicle types but does not require TxDMV to grant written approval.	**Complete.** Forms and website updated to adjust for statute change from department approval to notification. Implemented September 1, 2019. **Documentation:** Form available on the department's website: https://www.txdmv.gov/sites/default/files/form_files/MVD-NF101.pdf
Page 10, Line 18 to Page 11, Line 8	1.3	Requires the board to adopt rules and policies to establish clear standards for conduct and handling of contested cases coming before the board for final decisions. Requires the adopted rules and policies to specify the role of TxDMV personnel in managing contested protest cases before the board, limit arguments and discussion to evidence in the record from SOAH, address ex parte	**Complete.** Proposed rules were adopted at the February 2021 Board meeting. **Documentation:** 43 TAC §§215.22, 215.55, 215.59 - 215.63

BILL REFERENCE	RECOMMENDATION NUMBER	BILL PROVISION	IMPLEMENTATION STATUS
		communications, and distinguish between industry expertise and representing or advocating for an industry.	
Page 11, Lines 11–16; Page 14, Lines 21–25	3.2	Authorizes TxDMV to order a motor vehicle licensee to pay a refund to a buyer or lessee. Authorizes TxDMV to order a motor carrier licensee to pay a refund to a consumer who paid the licensee to transport household goods.	**Complete.** Proposed rules were published in the *Texas Register* on August 21, 2020. **Documentation:** • Proposed rules for motor vehicle licensees: 43 TAC §215.500, §215.504 • Proposed rules for motor carriers: 43 TAC §218.72
Page 11, Line 19 to Page 13, Line 2; Page 14, Lines 26–27; Page 15, Lines 1–11	4.3	Eliminates the salvage license endorsements and establishes a single, streamlined salvage license.	**Complete.** Rules adopted in December 2019 became effective January 2, 2020. Additional rules adopted in October 2020 became effective October 31, 2020. **Documentation:** • Rules effective Jan. 2, 2020: 43 TAC Chapter 221 • Rules effective Oct. 31, 2020: 43 TAC Chapter 221
Page 12, Lines 1–4	Added by Legislature	Specifies that a salvage vehicle dealer license allows the license holder to buy or sell salvage motor vehicles and non-repairable motor vehicles that have been issued a salvage vehicle title or non-repairable vehicle title.	**Complete.** *See Recommendation Number 4.3*
Page 13, Lines 6–12	4.4	Authorizes the department to set salvage license terms in rule.	**Complete.** Rules effective January 2, 2020. **Documentation:** 43 TAC §221.13
Page 13, Line 24 to Page 14, Line 2	3.3	Authorizes TxDMV to issue a cease and desist order for unlicensed salvage activity.	**Complete.** Proposed rules were published in the *Texas Register* on August 21, 2020. **Documentation:** 43 TAC §221.96
Page 14, Lines 5–18; Page 15, Line 24 to Page 16, Line 5	Added by Legislature	Requires training before licensure for independent auto dealers.	**Complete.** Rules effective March 1, 2020. Training has started for those needing it for licensure.

BILL REFERENCE	RECOMMENDATION NUMBER	BILL PROVISION	IMPLEMENTATION STATUS
			Documentation: • 43 TAC §215.133 Information available on the department's website: https://www.txdmv.gov/dealers/dealer-education
Page 16, Line 9 to Page 21, Line 16	Added by Legislature	Requires TxDMV to adopt rules to issue and regulate the use of digital license plates.	**Complete.** Rules effective July 12, 2020. Technological interface with provider was made available December 31, 2020. **Documentation:** 43 TAC §§217.22, 217.27, 217.32, 217.38, 217.41, 217.55 and 43 TAC §§217.58 - 217.64.
Page 21, Line 20 to Page 22, Line 7	2.4	Requires TxDMV to create a risk-based system of monitoring and preventing fraud related to vehicle registration and titling.	**Complete.** Proposed rules were adopted at the February 2021 Board meeting. **Documentation:** 43 TAC §206.151
Page 22, Lines 10–14; Page 26, Lines 3–6	5.2	Requires county tax assessor-collectors to ensure webDEALER is available online to dealers in all Texas counties. Requires webDEALER to be available online to dealers in all Texas counties by September 1, 2020.	**Complete.** Rules effective October 21, 2020. **Documentation:** 43 TAC §217.74
Page 22, Lines 18–21	Added by Legislature	Specifies that contracting standards apply only to full-service deputies.	**Complete.** Guidance was sent to the counties on November 13, 2019, via GovDelivery notice. **Documentation:** November 13, 2019, GovDelivery notice (11)
Page 22, Line 22 to Page 23, Line 18; Page 25, Lines 6–10	2.1	Requires counties to follow standard contracting practices when outsourcing state services to full-service deputies. Requires standard best practices to include purchase methods and competitive bidding, determining the best value for a county, contracting standards and oversight, and contract management. Requires a county tax assessor-collector to monitor and evaluate the performance of a deputy awarded a contract and use	**Complete.** Guidance was sent to the counties on November 13, 2019, via GovDelivery notice. **Documentation:** • November 13, 2019, GovDelivery notice (11) • Contracting Standards for TACs (12)

BILL REFERENCE	RECOMMENDATION NUMBER	BILL PROVISION	IMPLEMENTATION STATUS
		that information when determining whether to renew or extend the contract. Requires each county tax assessor-collector to enter into a contract before the effective date of the act to rebid the contract before December 1, 2019.	
Page 23, Line 19 to Page 24, Line 8	2.5	Authorizes TxDMV to audit or perform a compliance review of anyone performing registration or titling services, investigate, and access any records to conduct such activity. Authorizes a county tax assessor-collector audit or perform a compliance review of anyone performing registration or titling services in their county and access any records needed to conduct such activity.	**No action necessary.**
Page 24, Lines 17–23; Page 25, Line 20 to Page 26, Line 2	2.2	Authorizes TxDMV to adopt rules and policies for the maintenance and use of RTS and specifies that TxDMV has the sole authority to determine access to the system. Directs the department to adopt rules in coordination with county tax assessor-collectors regarding criteria to suspend access to the registration and title system by March 1, 2020.	**Complete.** Rules effective March 1, 2020. **Documentation:** 43 TAC §217.76, §217.77, and §217.78
Page 24, Lines 9–14	NR	Authorizes TxDMV to coordinate with the comptroller of public accounts and authorizes the comptroller of public accounts to include, at the comptroller's discretion and as part of its ongoing audits of state revenue collections by county tax assessor-collector offices, a review of processes relating to a county's collection and remittance of revenues included in the audit.	**No action necessary.**
Page 24, Lines 24 to Page 25, Line 5; Page 25, Lines 16–19	2.3	Requires TxDMV to implement mandatory fraud training for anyone performing registration or titling services. Requires TxDMV to implement rules for the training program by December 1, 2019.	**Complete.** Rules effective December 16, 2019. **Documentation:** • 43 TAC §217.75 Notice to tax assessor-collectors
Page 25, Line 11–15	Added by Legislature	Requires TxDMV to assist with contract rebidding.	**Complete.**

BILL REFERENCE	RECOMMENDATION NUMBER	BILL PROVISION	IMPLEMENTATION STATUS
			The Policy Review Routing Document for State Contracting Guidelines for tax assessor-collectors was completed November 8, 2019. Guidance was sent to the counties on November 13, 2019, via GovDelivery notice. **Documentation:** November 13, 2019 GovDelivery notice (11)
Page 25, Line 10	Added by Legislature	Extends deadline for contract rebidding to March 31, 2020.	**Complete.** Notice was given to impacted stakeholders via GovDelivery notice on November 13, 2019. **Documentation:** November 13, 2019, GovDelivery notice (11)
Page 26, Line 11 to Page 43, Line 16; Page 46, Line 5 to Page 47, Line 17	2.6	Authorizes ABTPA (MVCPA) grant recipients to use funds to combat a broader range of crimes, such as title and odometer fraud, beyond just automobile burglary and theft. Codifies ABTPA (MVCPA) laws and make corresponding clarifying changes.	**Complete.** Rules effective March 1, 2020. **Documentation:** *Texas Register*, February 28, 2020: 43 TAC §§57.9 - 57.11, 57.14, 57.15, 57.18, 57.22 - 57.27, 57.29, 57.30, 57.33, 57.34, 57.36, 57.41, 57.48 - 57.51, 57.58
Page 46, Line 18	Added by Legislature	Removes board member from ABTPA member description.	**No action necessary.**
Page 46, Line 20	Added by Legislature	Changes reference from board to authority.	**No action necessary.**
Page 47, Line 18 to Page 49, Line 27	Added by Legislature	Requires TxDMV to conduct a study on fee collection for alternatively fueled vehicles.	**Complete.** The report was submitted by its required due date of December 1, 2020 and is available online at https://www.txdmv.gov/reports-and-data.

Appendix E: List of MVCPA Grants Awarded for 2020

GRANTEE RECIPIENT	PROGRAM NAME	FY 2020 AWARD
City of Austin	Auto Theft Interdiction Project	$430,685
City of Beaumont	Southeast Texas Auto Theft Task Force	$528,714
City of Brownsville	South Texas Auto Theft Enforcement Task Force	$924,350
Burnet County	Heart of Texas Auto Theft Task Force	$200,000
City of Corpus Christi	Corpus Christi Auto Theft and Burglary Prevention	$410,973
City of Dallas	Commercial Auto Theft Interdiction Squad	$625,000
Dallas County	North Texas Auto Theft Task Force	$540,000
City of Eagle Pass	Eagle Pass Auto Burglary & Theft Task Force	$125,000
City of El Paso	Auto Burglary and Theft Prevention Task Force	$929,465
Galveston County	Auto Crimes Task Force	$469,183
Harris County	Harris County Auto Theft Unit	$772,403
City of Houston	Houston Auto Crimes Task Force / 26 (H.A.C.T.F. / 26)	$995,000
City of Laredo	Auto Theft Task Force	$685,000
Lubbock County	South Plains Auto Theft Task Force	$404,523
City of Mansfield	Tri-County Auto Burglary and Theft Task Force	$300,000
Montgomery County	Motor Vehicle Theft Salvage and Vehicle Arson Program	$337,464
City of Paris	Northeast Texas Auto Theft Task Force	$106,709
City of Pasadena	Auto Theft Prevention Program	$76,000
Potter County	Panhandle Auto Theft Unit	$361,705
City of San Antonio	Regional Auto Crimes Task Force	$800,000
Smith County	East Texas Auto Theft Task Force	$332,792
Tarrant County	Tarrant Regional Auto Crimes Task Force	$1,145,500
Travis County	Sheriff's Combined Auto Theft Task Force	$631,137
City of Victoria	Law Enforcement / Detection / Apprehension	$154,719
	Total MVCPA Award for Fiscal Year 2019	**$12,286,322**

Appendix F: TxDMV Staff Participation in State and National Organizations

NAME	DIVISION	TITLE	ORGANIZATION	ROLE
Whitney Brewster	Exec	Executive Director	American Association of Motor Vehicle Administrators (AAMVA) International Board of Directors AAMVA Region II Board of Directors	Chair Past President
Shelly Mellott	Exec	Deputy Executive Director	AAMVA Transportation Research Board Working Group Texas Connected and Autonomous Vehicle (CAV) Task Force Licensing & Registration Subcommittee CAV Task Force Safety, Liability & Responsibility	Member Chair Chair
Daniel Avitia	Exec	Deputy Executive Director	National Association of Motor Vehicle Boards and Commissions	Member
Robert Foster	CID	Lead Investigator	National Odometer and Title Fraud Enforcement Association (NOTFEA)	President
Mike Scott	CID	Investigator	Association of Certified Fraud Examiners (ACFE)	Member
Corrie Thompson	ENF	Director	TCOLE Training Board	Member
Brian Ge	ENF		International Association of Lemon Law Administrators (ALLA)	Member
Earl Pearson	ENF	Motor Carrier Chief Investigator	Austin Community Criminal Justice Board	Member
Mario Ceniceros	ENF	Investigator	Texas Association of Vehicle Theft Investigators (TAVTI)	Member
John Dufour	ENF	Investigator	ALLA	Member
Sonny Gonzales	ENF	Investigator	TCOLE Training Board	Training Coordinator
Evan Whitis	ENF	Investigator	ALLA	Member
Matthew Levitt	HR	Director	Austin Human Resource Management Association (AHRMA) Society for Human Resource Management	Member Member
Joseph Greenfield	HR	Training Coordinator	TCOLE Training Board	Member

Name	Division	Title	Organization	Role
Sandra Menjivar-Suddeath	IAD	Director	Institute of Internal Auditors (IIA) Austin Chapter	President-Elect
			IIA Austin Chapter Nominating Committee	Chair
			IIA Austin Chapter CAE Roundtable Committee	Member
			IIA Austin Chapter Strategic Planning Committee	Member
			State Agency Internal Audit Forum (SAIAF) IT Committee	Chair
Derrick Miller	IAD	Senior Auditor	SAIAF Peer Review Committee	Chair
Frances Barker	IAD	Auditor	IIA Austin Chapter Professional Development Committee	Member
William A. "Butch" Grote Jr.	ITSD	Chief Information Officer / Information Resource Manager	Texas Association of State Systems for Computing and Communications (TASSCC)	Board Member
			DIR State Strategic Plan Advisory Committee	Member
			Strategic Agency Coordinating Council – Information Technology (SACC-IT)	Co-Chair
			DIR Closed Data Portal (CDP) Texas IT Collaboration Workgroup	Member
			Texas Digital Government Technology / e-Republic Advisory Board	Member
Wendy Barron	ITSD	Deputy Chief Information Officer	DIR Data Center Services (DCS) Program Partner Group Four	IT Leadership Committee (ITLC) Representative
Angel Cruz	ITSD	Information Security Officer	DIR DCS Program Partner Group Four	Security Solutions Group (SSG) Representative
			Multi-State Information Sharing and Analysis Center (MS-ISAC)	Resiliency Working Group Member
Jimmy Archer	MCD	Director	Innovative Technology Deployment (ITD) Working Group; Steering Committee	Member
			CAV Task Force Freight & Delivery Subcommittee	Member
Carol Fallin	MCD	Manager, Credentialing Section	Unified Carrier Registration (UCR) Board	Member
			UCR Education & Training Subcommittee Working Group	Member
			UCR Finance Subcommittee	Member
			National Conference of Transportation Specialists (NCSTS)	Member
			ITD Working Group	Member

Name	Division	Title	Organization	Role
Richard Goldsmith	MCD	Manager, Program Coordination and Support	Innovative Technology Deployment (ITD) Working Group	Member
Tammy Russ	MCD	Supervisor, IRP Compliance Audit, Commercial Fleet Services	Comptroller of Public Accounts / International Fuel Tax Agreement (IFTA)	Liaison
Grady Meyer	MCD	IDT Program Manager	ITD Working Group	Member
DuWayne Murdock	MCD	Manager, OS/OW Permit Section	ITD Working Group ITD Steering Committee Western Association of State Highway and Transportation Officials (WASHTO) Highway Transport Committee American Association of State Highway and Transportation Officials (AASHTO) Highway Transport Working Group	Member Member Member Member
Lydia Sahley	MCD	Credentialing Program Coordinator	UCR Audit Subcommittee	Board Member
Bryan Wilson	MVCPA	Director	TCOLE Training Advisory Board International Association of Auto Theft Investigators (IAATI) – South Central Regional Conference Automobile Theft Prevention Authorities (ATPA) IAATI – ATPA Subcommittee on Performance Measurement Matrix International Association of Chiefs of Police (IACP) Vehicle Crimes Committee	Vice Chair MVCPA Liaison to Board Committee Member Chair Committee Member
Roland Luna	VTR	Director	Texas Coordinating Council for Veterans Services (TCCVS) Board TCCVS Transportation Workgroup Texas.gov Solution Group Board Texas Traffic Records Coordinating Committee (TRCC) Executive Committee	Member Member Member Member
Clint Thompson	VTR	Chief, Title Services	AAMVA eTITLE Working Group	Member
Tony Hall	VTR	Assistant Chief, Field Operations	AAMVA Vehicle Standing Committee	Chair

Texas Department
of Motor Vehicles