



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

**CHAIRMAN'S
ANNUAL
REPORT
FISCAL YEAR 2021**

April 22, 2022

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.

TxDmv has begun its second decade of operating as an independent agency. We continue to be focused on the reduction of temporary tag abuse, motor vehicle crime prevention, being good stewards of the resources entrusted to the department and serving the citizens of Texas with efficiency in an ever-changing landscape of threats and opportunities.

The “new” normal of everyday business requires all of us to think innovatively in every aspect of what we do.

The world around us continues to change and TxDMV adapts quickly and effectively 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. In this report, you will find information regarding the major activities and key accomplishments of TxDMV during Fiscal Year 2021. This report also contains performance data to illustrate the department’s progress in modernizing processes and increasing efficiencies.

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,



Charles Bacarisse
Chairman

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Introduction & 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 2021, TxDMV oversaw the issuance of more than 25 million vehicle registrations and processed approximately 7.6 million vehicle title transactions. Additionally, the department regulates approximately 24,000 licensed dealers and other motor vehicle entities engaged in the sale and distribution of motor vehicles, including certain aspects of the salvage vehicle industry. The department credentialed almost 95,000 motor carriers, issued approximately 670,000 oversize/overweight permits, closed almost 20,000 non-Lemon Law cases against dealers and motor carriers and closed an additional 400 Lemon Law cases. TxDMV served more than 730,000 customers through its Consumer Relations Division (CRD) in FY 2021.

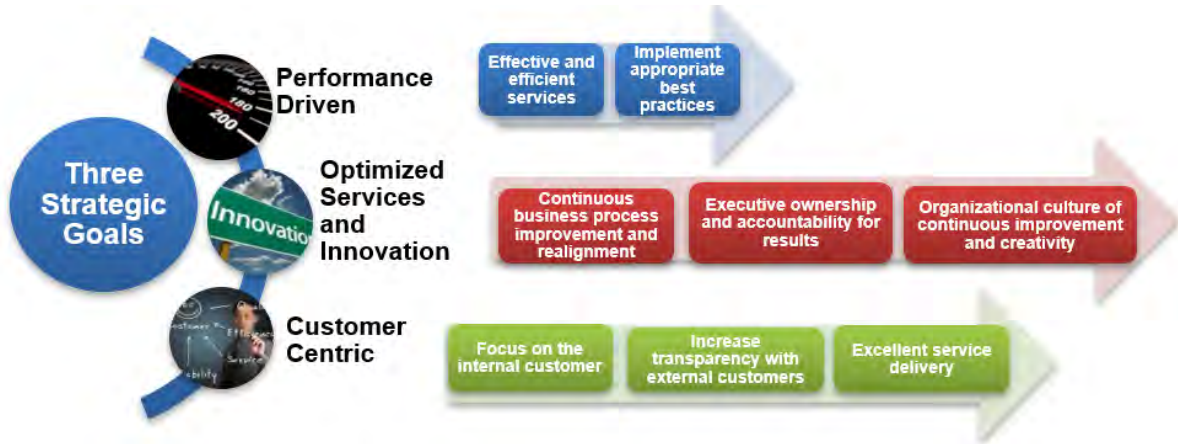
TxDMV's Vision, Mission, Goals and Key Functions

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

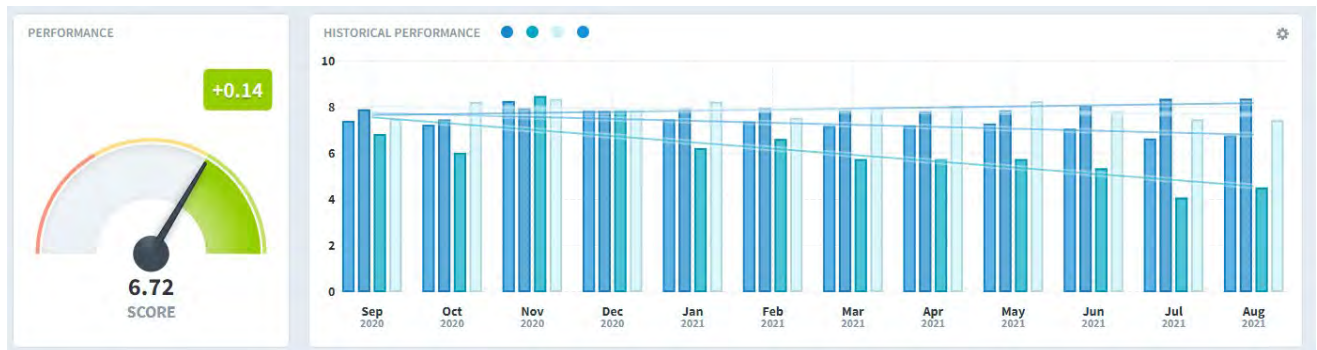
Mission: To serve, protect and advance the citizens and industries in the state with quality motor vehicle-related services.

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 strategic goals.



Five Key Functions of TxDMV:

*Summarized from Texas Transportation Code §1001.002

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 perform enforcement activities of the TxDMV-regulated community; and
5. Aid in prevention of motor vehicle title fraud, burglary and theft.

Accomplishments & Activities

Customer Service Enhancements

- **Texas by Texas (TxT)**

Texas by Texas (TxT) is an easier, faster and more secure way for Texans to do business with state government such as vehicle registration renewals and many licenses, anytime, anywhere, and on any device. In Fiscal Year 2021, TxDMV worked with the Texas Department of Information Resources (DIR) to deploy the web-based application that launched Oct. 9, 2021. TxT will ultimately replace the Internet Vehicle Title and Registration Service (IVTRS) that launched in the mid-1990s and is currently used by more than half a million motorists on average each month to renew vehicle registration. TxT users will be able to create customized statewide accounts allowing interaction with multiple state agencies for a wide range of services.
- **Certified Copy of Original (CCO) Batch Printing Initiative**

Before the successful implementation of the initiative, printing of Certified Copy of Original (CCO) Texas titles by our regional service centers (RSC) consisted of printing individual certified copies on demand, and liens were not removed from the certified copies. As of June 21, 2021, mail-in applications for CCOs are now batch printed through the department's print vendor, and liens are removed from the vehicle record when an original release of lien is submitted with the application. The Wichita Falls RSC was the first region to launch the program, and all regions are now using the new process.

Customers are no longer required to visit a county tax assessor-collector's office to subsequently pay the title application fee and have a lien removed. This can now be completed in a single transaction, saving the customer time and money.
- **Call Center Upgrade (CCU)**

Improving the quality of customers' interactions with TxDMV by phone was the focus of the Call Center Upgrade (CCU) project with three goals – upgrade to the latest software versions that provide highly scalable, secure and a fully supported product, meet the needs of all the department's divisions that use call center technology, and deploy several designated enhancements.

With the enhancement, new features are available which improve the user experience and allow for more robust call handling. The project improved call recording features, workforce management system, quality assessment system, reporting tools, and the automated agent routing system for the Consumer Relations and Motor Carrier call centers, as well as improved call routing and reporting tools for the Vehicle Title & Registration (VTR) division and the RSCs.
- **Established rules for Refund Authority of Motor Carriers Transporting Household Goods**

As a part of TxDMV's Sunset bill, TxDMV implemented a rule effective Dec. 30, 2020, for its authority to order refunds for consumers of household goods movers and motor carriers. This process involved the department's Consumer Protection Advisory Committee and its recommendation to outline the definition of a refund and the refund to be evaluated through the department's Notice for Department Decision process.
- **Redesigned Public Website**

TxDMV launched the new and improved www.TxDMV.gov Oct. 16, 2020. The functionality and design of the new site reflects feedback from staff and stakeholders as well as a careful analysis

of the way visitors utilize the site. In addition to being mobile-friendly to accommodate the growing number of users coming to the 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 the previous site.

Protecting the Public

- **Temporary Tag Abuse and House Bill (HB) 3927 (87th Texas Legislature)**

TxDMV continues its efforts to combat the abuse and misuse of fraudulent temporary tags. Temporary tags are issued to vehicle buyers as temporary registration until the dealer completes the title and registration process. TxDMV has increased its collaboration with local, state and federal law enforcement on investigations, with several leading to arrests and indictments. Law enforcement, motor vehicle dealer representatives and members of the public comprise the Consumer Protection Advisory Committee, which studied the issue and made recommendations to the TxDMV Board.

The Board recommended temporary tag statutory improvements to the 87th Texas Legislature to help address this significant issue. The resulting legislation, House Bill 3927, has allowed the agency to place custom limits on the number of temporary tags available to individual automobile dealers based on their historic sales volume. The agency also now has the ability to immediately revoke a dealer’s access to temporary tags through the eTAG database when fraudulent or criminal activity is identified. These solutions have already resulted in a reduction in the abuse of temporary tags.

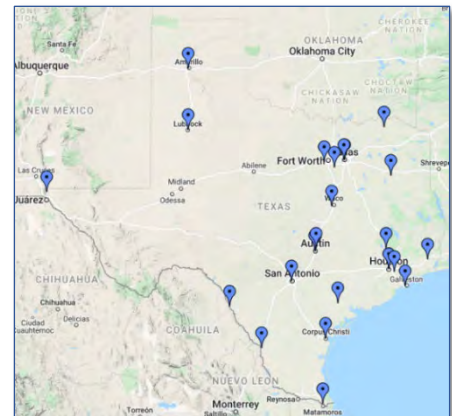
Under the Board’s direction, TxDMV staff continue to work on further actions to prevent the fraudulent production or criminal use of Texas temporary tags. The agency is preparing draft rules to implement mandatory fingerprinting of dealer applicants; this process will ensure a more robust review of applicant backgrounds and stronger identification prior to granting them access to department systems. The agency is also pursuing numerous opportunities to enhance pre-licensing, enforcement and law enforcement coordination operations.

- **Texas Consumer Privacy Act (Senate Bill 15, 87th Texas Legislature)**

This bill puts additional requirements on the recipients of the department’s motor vehicle records through bond and insurance requirements and increases penalties for those who abuse or misuse the data received. SB 15 had an immediate effective date of June 18, 2021,

- **Process improvements to increase collaboration, communication with law enforcement**

TxDMV collaborated with the Motor Vehicle Crime Prevention Authority (MVCPA) to assist with on-going Virtual Command Centers (VCC) for MVCPA grantees to encourage motor vehicle crime investigator communication among local law enforcement throughout the state. Intelligence sharing was hosted on the Federal Bureau of Investigation (FBI) system CJIS.gov. Intelligence shared in the VCC has provided the ability to recognize similar patterns of criminal activity occurring in multiple jurisdictions and occasionally the same suspects.



Click [MVCPA grantees](#) for larger image.

- **Implemented user-focused security efforts**

Established domain-based Message Authentication, Reporting and Conformance email authentication on all web-based applications to strengthen TxDMV's defense against cybersecurity threats.

- **Leveraged Shared Technology Services (STS) to enhance security defenses**

TxDMV facilitated STS with DIR to provide strong and consistent management of the department's data security. STS assists TxDMV by consolidating security services, meeting legislative security requirements, mitigating security risks, and filling gaps in skillsets to provide a more secure environment, and to deliver more effective services for customers and stakeholders.

- **Upgraded TxPROS permitting application to deny size and weight permits to carriers out-of-service for safety reasons**

The department added an important safety enhancement to the Texas Permitting and Routing Optimization System (TxPROS) Aug. 24, 2021. Motor carriers that are required to have a USDOT number (federal operating authority) must provide that number during the permit application process with TxDMV. TxPROS will check that number and deny the permit if the carrier has been placed out-of-service by the Federal Motor Carrier Safety Administration (FMCSA), or if Texas Department of Public Safety (DPS) has determined that the carrier has an unsatisfactory safety rating. This is an additional tool to keep unsafe motor carriers off Texas roads.

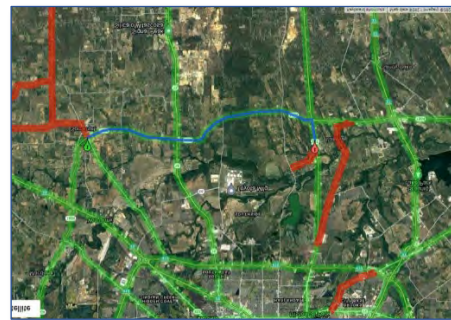
- **Upgraded TxPROS mapping functions to include Google Maps to select locations, display trips and restrictions**

TxDMV teamed with ProMiles Corporation to make numerous, highly complex technical improvements to the Super Heavy permitting process inside TxPROS. Super Heavy permits are required when a load exceeds the standard of measurements and/or weight limits for traditional motor carrier permits. Some examples include parts of wind power generation towers, the Space Shuttle, or large pieces of infrastructure such as tanks, pumps, etc. This multi-year initiative was completed in FY 2021 and successfully addressed significant challenges identified by stakeholders. To demonstrate the change in mapping capability:

Google Map View



Google Satellite View



The new TxPROS maps incorporates Google maps and features. Things to note at this zoom level include details familiar to drivers who use the web-based tool, including display of local businesses, water features, parks, etc.; Satellite view and Google Street view; new toggleable

layers on On-System (state-maintained roads) and restrictions (relevant to the specific permit) are also available.

Technology

- **Successful Launch of new Learning Management System (LMS) for RTS Training**

Anyone who processes transactions in RTS must take training, which is available through an online learning management system (LMS). The new LMS is called TalentLMS, which meets the mandatory compliance training provisions set forth by Senate Bill 604, 86th Legislative Session. TalentLMS was launched July 9, 2021, and was a major project that included creating the new structure and personalized pages for all 254 counties and internal TxDMV stakeholder groups, migrating and testing of 85 training modules, transfer of approximately 4,000 user accounts, creating training modules and hosting live training sessions, and communicating new login credentials via email to both internal and county stakeholders.

- **Practice & Learn (PAL)**

The department completed a new RTS training system for county customer service representatives, known as RTS Practice & Learn (PAL). PAL was released to county tax offices Feb. 4, 2021, and simulates RTS functionality for many of the current transaction types and functions performed by county tax assessor-collectors' office staff. The intention was to provide an environment where new employees, and employees expanding their current skill sets, can conveniently practice processing the types of transactions they will be performing in their new or expanded role as a county customer service representative. Users will encounter new functionality in PAL in advance of each scheduled RTS release, which will allow users to practice and test these new features before they are available for use in RTS. The department hosted five webinars that included an overview of PAL and opportunities for questions.

- **Statewide webDEALER Adoption**

webDEALER is the department's web-based application for processing title applications utilized by motor vehicle dealers and county tax assessor-collectors. SB 604 also required all county tax assessor-collector offices to make webDEALER available to any dealer requesting the use of the application, effective Sept. 1, 2020. Statewide webDEALER Adoption was the department's project to prepare county tax offices and dealers for this requirement and deploy programming changes to enhance webDEALER and webSALVAGE, the department's web-based application for processing salvage and nonrepairable vehicle title applications by salvage pool operators and insurance companies. The enhancement, replacing a previous paper form and manual processing by staff, allows for electronic submission of owner-retained reports that are submitted to the department when an insurance company pays a claim on a vehicle deemed to be salvage or nonrepairable that is retained by the owner. The enhancement was successfully deployed and made available June 21, 2021. Additionally, the **Owner-Retained Report** (VTR-436) and **Correction of Owner-Retained Report** (VTR-436-E) have been revised to match changes to the application.

Operations

- **New Grants for Rapid Response Law Enforcement Teams**

TxDMV implemented a new type of law enforcement grant called Rapid Response Strikeforce Grants (RRS). The awards support the Motor Vehicle Crime Prevention Authority's border security efforts. The main priorities are to prevent stolen vehicles from being transported to Mexico and to stop stolen vehicles from being used in human trafficking. These RRS grants are also used to combat organized crime in Houston (vehicle thefts from auto dealers), Dallas (chop shops) and Fort Worth (illegal catalytic converter fencing operations). Two of the grants are used to increase the recovery of stolen vehicles. The MVCPA Board expressed its gratitude to TxDMV for helping make Texas and our communities safer.

- RRS Grant Recipients Total = \$207,850
 - Burnet County
 - Dallas Police Department
 - Eagle Pass Police Department
 - Houston Police Department
 - Laredo Police Department
 - Lubbock County
 - Tarrant County

- **Merged the Compliance & Investigations Division (CID) with the Enforcement (ENF) Division**

TxDMV merged these two divisions to reduce confusion about where people can go for help. Both teams work closely together enforcing the laws and rules in place to protect our customers and stakeholders. Current contacts, processes and procedures for Red Flag Referral (process used by county tax assessor-collector office staff to file a complaint regarding a transaction) remained unchanged internally and for county offices.

- **Hiring of an Employee Ombudsman**

TxDMV provided an Employee Ombudsman for employee relations November 2020. The employee ombudsman's purpose is to assist employees with conflict resolution and maintain a positive culture at the department. This position also includes serving as the civil rights officer and ethics officer, supporting TxDMV's new Ethics Policy, which is now a standalone policy rather than part of the Human Resources Manual.

- **Merged Commercial Fleet Services (CFS) and Credentialing Sections**

Consolidating Commercial Fleet Services (CFS) and Credentialing helps TxDMV to serve motor carriers more consistently and efficiently. With the commonality of registration, the Unified Carrier Registration (UCR) is closely related to the International Registration Plan (IRP) in that UCR includes vehicles that are registered for interstate commerce, including commercial vehicles with apportioned registration in IRP.

- **Transitioned license plate manufacturing responsibility to VTR from FAS**

As the result of an audit on the license plate manufacturing processes, it was determined that 71 percent of the process was monitored by the Vehicle Titles & Registration (VTR) Division, but the oversight of this function was under the Finance & Administrative Services (FAS) Division. VTR develops and approves omitted license plate production sequences used to create the license plates. As part of the transition, VTR conducted an extensive evaluation of program areas and sections to develop a new organizational structure considering program effectiveness,

efficiency, manager-to-staff ratio, natural alignment with other programs, what made business sense, and fairness.

- **County Liaison position established**

TxDMV recognized the need for enhanced support related to county equipment and prioritized the creation of the position with the reorganization of VTR, effective Sept. 1, 2021. The goals of the County Support Liaison are to improve communication and customer service with our county partners, to collaborate with our Information Technology Services Division (ITSD) to ensure timely workstation assistance, and to facilitate needed updates to the County Equipment Guide.

- **Eliminated escrow accounts and Frost Bank FirstPay Payment Account Cards**

TxDMV eliminated escrow accounts and payment cards made available through Frost Bank to minimize risk since these processes involved multiple divisions and manual processes. The Board adopted administrative rule changes allowing for the elimination of escrow accounts and Frost Bank FirstPay payment cards as methods of payment for OS/OW permits Jan. 31, 2021.

- **Discontinued faxed applications for OS/OW permits**

TxDMV discontinued the acceptance of OS/OW permit applications via fax, effective Feb. 15, 2021. Faxes required manual processing of paper during business hours and this step allows for better use of taxpayer-funded resources and reduces the potential for errors. Communications were sent to customers and stakeholders via GovDelivery and encouraged them to order and pay for OS/OW permits through the TxPROS application, 24-hours a day, seven-days a week, and issue those permits that are eligible for self-issuance.

COVID-19 Operations

- **COVID-19 Response**

The department's innovative activity and process improvement began March 2020 and is ongoing, to protect TxDMV employees and ensure their safety, continuing to safely provide essential services to the motoring public. The department's leadership took many cutting-edge and best practice actions to protect its employees including changed or temporarily suspended policies to enhance employee safety, such as the telecommuting policy; implemented telecommuting rapidly, efficiently and effectively – making technical support and training available to all staff; fostered flexibility and collaboration throughout the department; provided personal protective equipment (PPE) and supplies; installed health and safety enhancing improvements to facilities including Plexiglas dividers and guards, social distancing floor markings, signage requiring social distancing; facilitated increases in office cleaning, defogging and closing offices as needed for special cleaning and defogging; and coordinated with DPS to offer vaccinations to employees in April 2021 (in advance of public availability).

TxDMV's programs also took many innovative and best practice actions to continue safely providing essential services including:

- Implemented online appointment scheduling and text messaging for queue management of RSC appointments;
- Virtual facilitation of board meetings, stakeholder meetings and stakeholder trainings;
- Communicating clearly and often with stakeholders about both Governor's waivers and how to obtain needed services; and

- Added other services at RSCs, such as IRP, and purchased tents and provided bottled water for customers who were waiting six feet apart in line, in the sun, during the summer.
- **Hired, trained new staff online, and posted some vacant positions as telecommuting jobs**
TxDMV quickly transitioned at the beginning of the pandemic to virtual interviews and remote training sessions. TxDMV identified many positions that are now eligible to be 100 percent work-from-home.
- **Developed, safely delivered training to customers and stakeholders while increasing attendance**
TxDMV quickly transitioned in-person training for customers and stakeholders to virtual webinars at the beginning of the pandemic. Within a few months, virtual attendance increased for motor vehicle dealer training, salvage dealer training, mover training, OS/OW training, and personnel development since virtual training only required internet access and eliminated the requirement to travel.
- **Raised security awareness through completion of Cyber Security Awareness Training**
TxDMV employees responded to the high priority of cyber security awareness training with a 100 percent completion rate for the second year in a row. The agency's training information was submitted to DIR June 11, 2021, and meets requirements of the Texas Government Code.
- **Developed and executed the end-of-waiver communications plan**
TxDMV's announcement of the end to the temporary waiver of certain vehicle title and registration requirements included GovDelivery email blasts to customers and stakeholders, a press release, social media posts, website updates, and legislative outreach. In addition, the department provided support to county tax assessor-collectors that included materials they used for their constituents and local media.

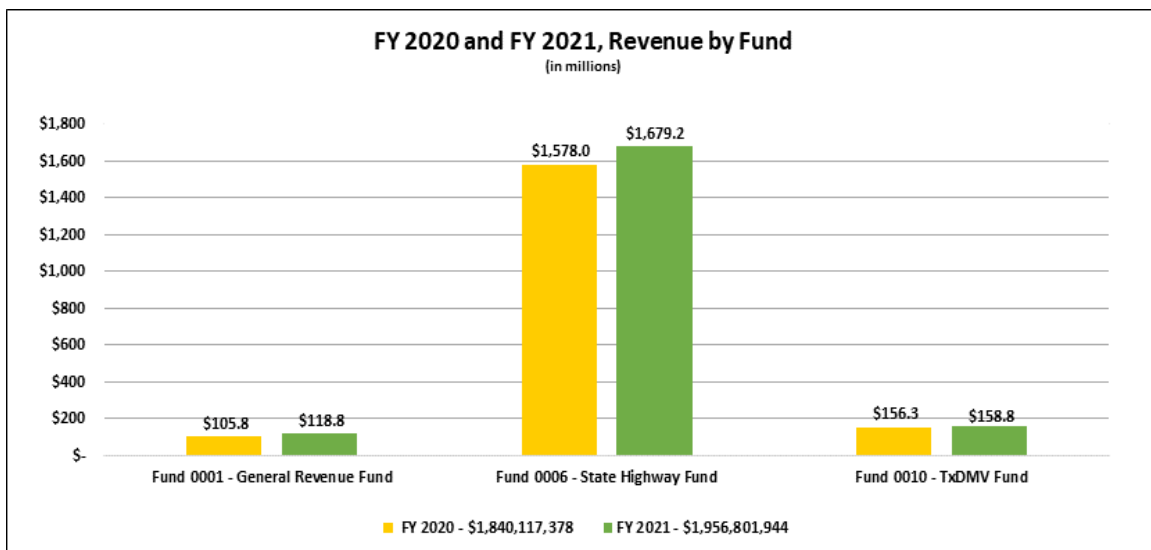
Revenues & Expenditures

Overview

The Texas Department of Motor Vehicles (TxDMV) is self-supporting and funds most of its expenditures through revenues deposited to the TxDMV Fund 0010. The Motor Vehicle Crime Prevention Authority (MVCPA) is fully funded through fees deposited to the General Revenue Fund (0001). The majority of TxDMV revenue comes from fees for motor vehicle registration. Other revenue sources include motor vehicle certificates of title, motor vehicle dealer license fees, motor carrier oversize/overweight permit fees, license plate fees, processing and handling fees associated with vehicle registration transactions and assessments on motor vehicle insurance policies.

Total Fund Revenues

In FY 2021, TxDMV collected \$1.96 billion in all funds, a 6.3 percent increase from FY 2020. In FY 2021, the department deposited \$118.8 million to the General Revenue Fund (Fund 0001), \$1.68 billion to the State Highway Fund (Fund 0006), and \$158.8 million to the TxDMV Fund (Fund 0010).



In FY 2021, the state showed a steady growth pattern in almost all sectors, resulting in an increase in registration, motor carrier credentialing, motor vehicle business license and processing and handling fee revenue. Decreased activity in the oil-and-gas sector, along with a shortage of drivers in the industry, has affected the issuance of motor-carrier permits, continuing to result in lower oversize/overweight fee deposits. Revenues in the second half of FY 2021 trended upward from the lows of FY 2020 and early FY 2021.

TxDMV Fund 0010 Revenues

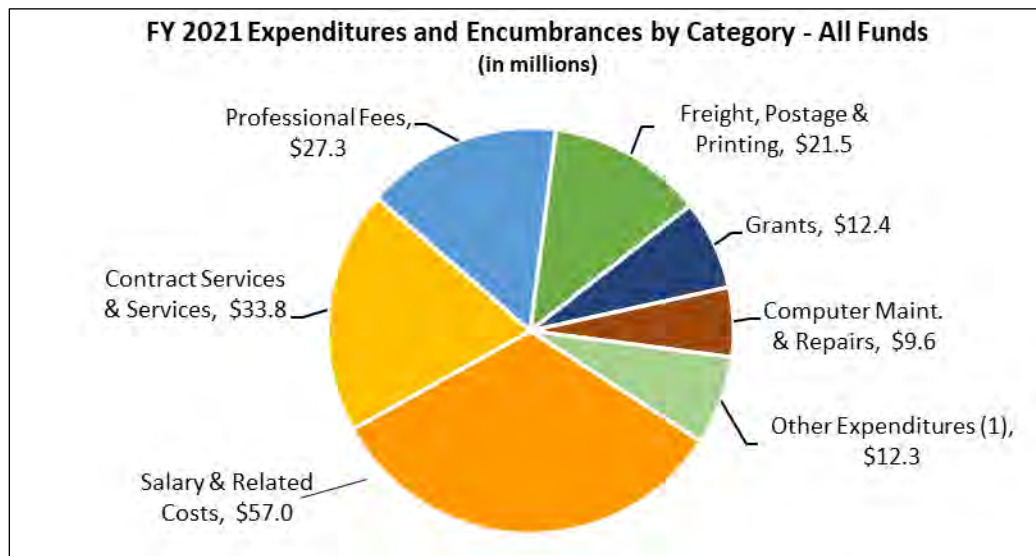
The chart below shows TxDMV Fund (0010) collections in FY 2021 compared to FY 2020 by revenue category:

Revenue Category	FY 2020 Actual	FY 2021 Actual	Variance	% Difference
Motor Vehicle Certificates of Title	\$ 36,964,892	\$ 32,225,292	\$ (4,739,600)	(12.8%)
Motor Vehicle Registration	35,044,378	40,855,465	5,811,087	16.6%
Motor Carrier Oversize/Overweight	14,711,609	13,412,579	(1,299,030)	(8.8%)
Motor Vehicle Business Licenses	7,390,831	8,091,110	700,278	9.5%
Miscellaneous Revenue	9,442,352	8,108,900	(1,333,452)	(14.1%)
Processing and Handling Fee	52,707,612	56,147,878	3,440,266	6.5%
Total	\$ 156,261,675	\$ 158,841,224	\$ 2,579,549	1.7%

Total TxDMV Fund 0010 revenue was 1.7 percent (\$2.6 million) higher than FY 2020. The decrease in Motor Vehicle Title revenue was due to the waiver of delinquent title transfer penalties. The increase in Motor Vehicle Registration revenue was mostly due to strong vendor-plates sales. The decrease in Miscellaneous revenue was mostly due to lowered interest rates on the TxDMV Fund balance.

Total Expenditures

Expenditures and outstanding obligations for FY 2021 totaled \$174.0 million, as shown below.



⁽¹⁾ Other Expenditures includes Online Service Fees (\$5.0 million), Rents/Utilities (\$4.8 million), Other Expenses (\$1.8 million), Capital (\$482,000) and Travel/Training (\$285,000)

Capital budget expenditures and encumbrances totaled \$28.5 million in FY 2021, with the majority being used to support Data Center Services (DCS) (\$13.6 million); automation projects (\$5.9 million) and County Technology Replacement (e.g., workstations, printers, network services) (\$7.1 million).

FY 2021 Annual Financial Report (AFR)

The department's AFR for the year ending August 31, 2021, was submitted in compliance with the Texas Comptroller of Public Accounts (CPA) by the November 20, 2021, deadline. The report was transmitted to the Governor's Office (GO), the Legislative Budget Board (LBB) and appropriate state oversight agencies. The report is available online at

<https://www.txdmv.gov/sites/default/files/report-files/Annual%20Financial%20Report%20FY%202021.pdf>

Performance Data

Consumer Relations Division (CRD)

CRD serves as the department’s contact center and is the first stop for the motoring public and most stakeholders that TxDMV serves. The division answers questions and provides general information and assistance with navigating many TxDMV programs and services. The division focuses on delivering a high-quality service experience at the first point of contact. CRD also maintains a department database to track consumer feedback including compliments, complaints and suggestions.

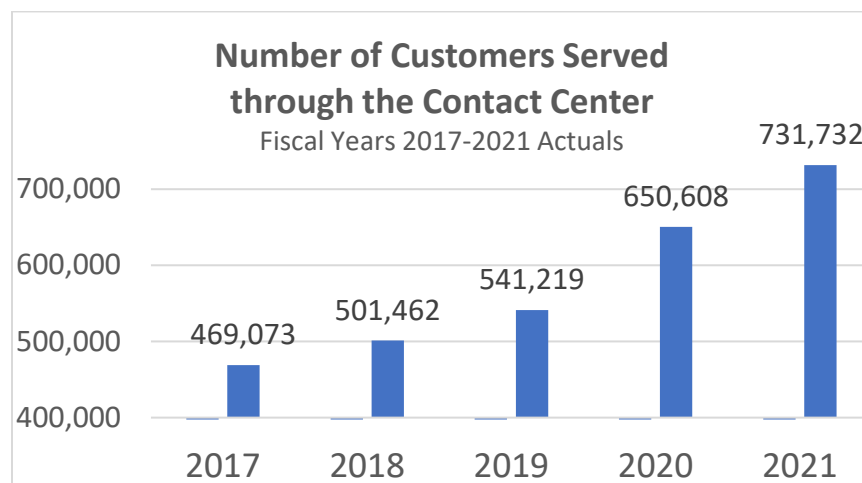
CRD’s purpose is to provide customer support and technical assistance via any communication channel the customer chooses (telephone, email or website). The division assists with various topics including:

- Vehicle titling and registration;
- License plates, disabled plates and placards;
- Motor vehicle dealer and salvage dealer licensing, applications and renewals;
- Household movers and Lemon Law activities;
- Military personnel issues that need immediate assistance;
- Legal restraints and bonds;
- Toll disputes; and
- Customer feedback and complaints.

CRD also provides general technical troubleshooting and web navigation assistance for department related programs, applications and systems. The division provides Level 1 Help Desk support to tax assessor-collectors using RTS and motor vehicle dealers using eLICENSING and webDEALER.

Customer contacts are consumer driven. Factors likely contributing to the increase in customer contacts include unpredictable access of in-person services during the pandemic, increases in overall population and changes in TxDMV technology applications. Since FY 2019, the number of customers served has increased by more than 35 percent.

Despite the heavy workload, the division maintained the same high marks on customer satisfaction with a 95 percent above average approval rating, consistent with previous years.



CRD Customer Satisfaction Survey Ratings by Month September 2020 – August 2021



Enforcement Division (ENF)

ENF administers laws affecting the motor vehicle distribution, salvage and motor carrier industries, including but not limited to laws governing the transportation of household goods, oversize/overweight motor carrier permits and motor vehicle dealer advertising. The statutes enforced by the division are designed to protect consumers, ensure a sound system for the distribution and sale of motor vehicles, ensure the safety of the traveling public, and protect the integrity of highways and bridges.

Effective Aug. 1, 2021, the Compliance and Investigations Division became part of the Enforcement Division. The consolidation allowed the department to realize efficiencies by combining investigative functions and reducing confusion on where people can go for assistance.

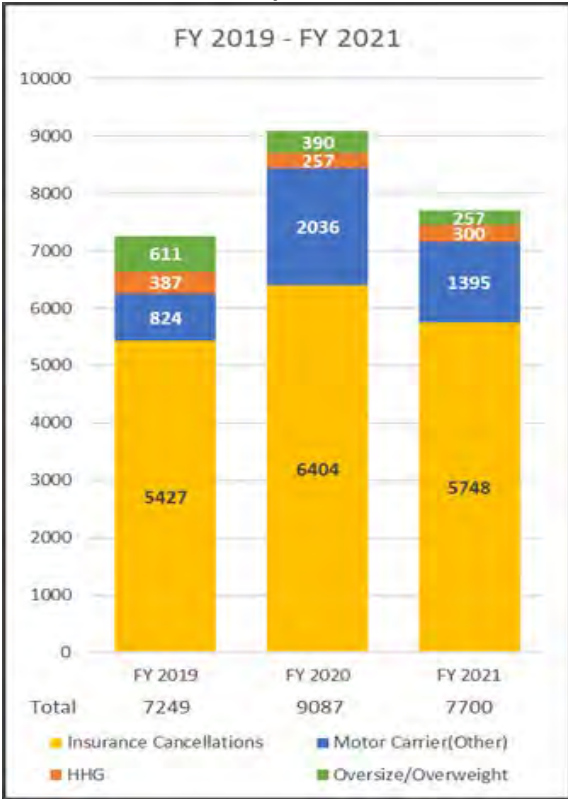
Major division activities include:

- Investigation of motor vehicle and salvage complaints, Lemon Law complaints, warranty performance complaints, household goods mover complaints and complaints related to size and weight violations;
- Referral of known criminal offenses to law enforcement;
- Submission of investigative findings to TxDMV attorneys for administrative action;
- Settlement of cases with dealers or motor carriers. Cases not settled or otherwise closed are litigated at the State Office of Administrative Hearings; and
- Identifying and recommending best practices to assist tax assessor-collector offices and TxDMV Regional Service Centers.

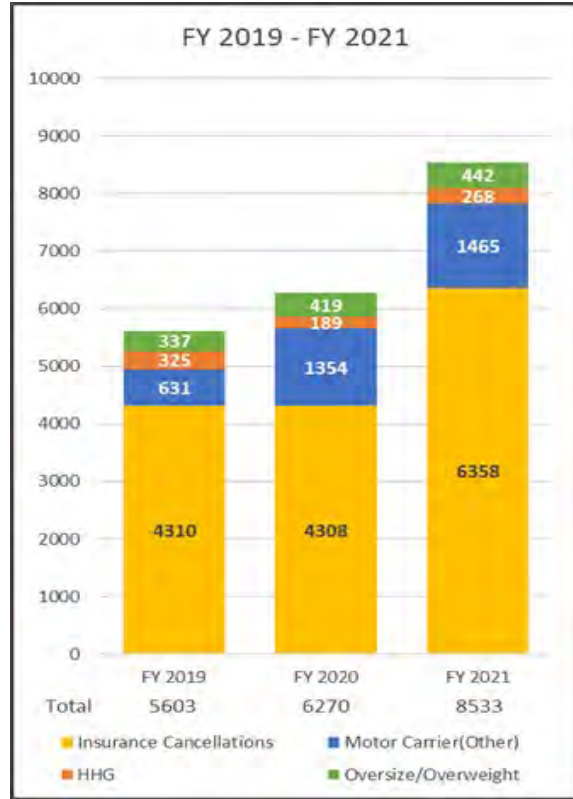
The division successfully pivoted to telecommuting, virtual training and virtual administrative hearings amid COVID-19 pandemic concerns beginning in March 2020 with no interruption to case processing.

The number of cases closed each fiscal year depends on the number of complaints received, the complexity of the cases and division staffing. Enforcement closed 16.4 percent more cases in FY 2021 than in FY 2020 due to continuing improvements in processing efficiencies and the addition of two new staff attorneys. Enforcement anticipates the number of cases closed in FY 2022 and beyond will remain higher due to the addition of the new attorneys, plus another attorney recently added to the division, who will continue to process a higher volume of case closures as well as the division’s continued focus on reducing case aging.

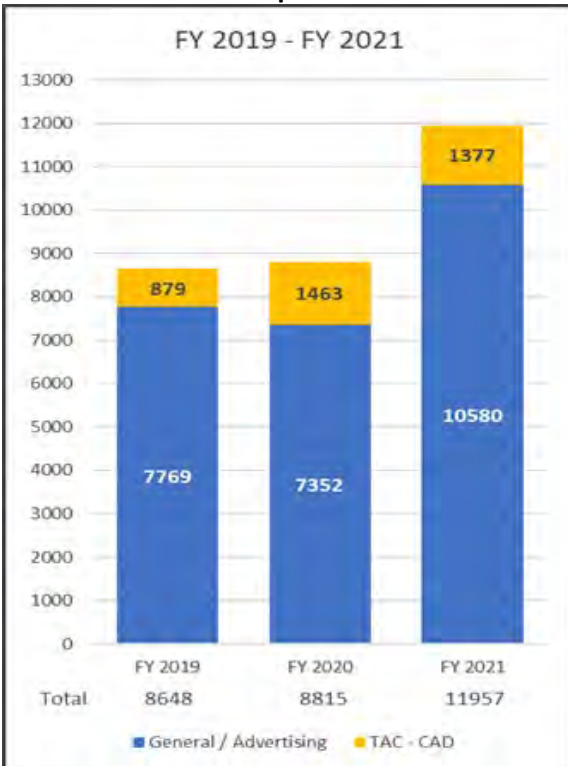
Motor Carrier Cases Opened FY 2019 – FY 2021



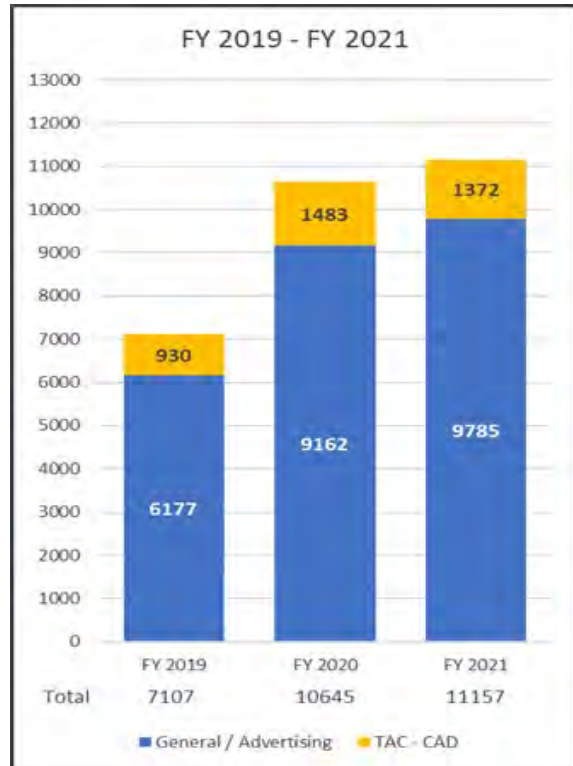
Motor Carrier Cases Closed FY 2019 – FY 2021



Motor Vehicle Cases Opened FY 2019 – FY 2021



Motor Vehicle Cases Closed FY 2019 – FY 2021



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, 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 weight or gross weight rating exceeding 26,000 pounds;
- Farm vehicles operating with a gross weight, registered weight or gross 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).

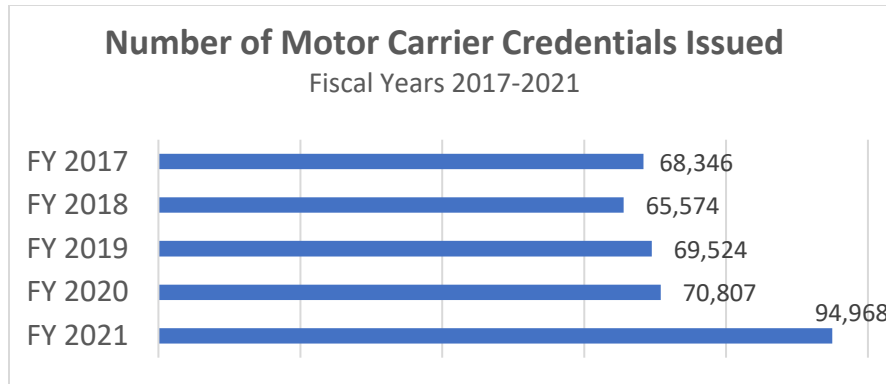
The Credentialing Section uses two online systems to ensure the safety of the traveling public:

- 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 of Public Accounts and that the vehicles are registered and insured properly. Further, MCCS records Vehicle Identification Number (VIN) and owner and company information. 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.



In FY 2021, TxDMV issued 94,968 motor carrier credentials of all types: new applications, renewals and Unified Carrier Registrations for interstate operations. This was a 34 percent increase from FY 2020. 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. At the end of FY 2019, 441 drilling rigs were operating in Texas. That dropped to 107 at the end of FY 2020 and recovered to 232 operating rigs by the end of FY 2021.¹

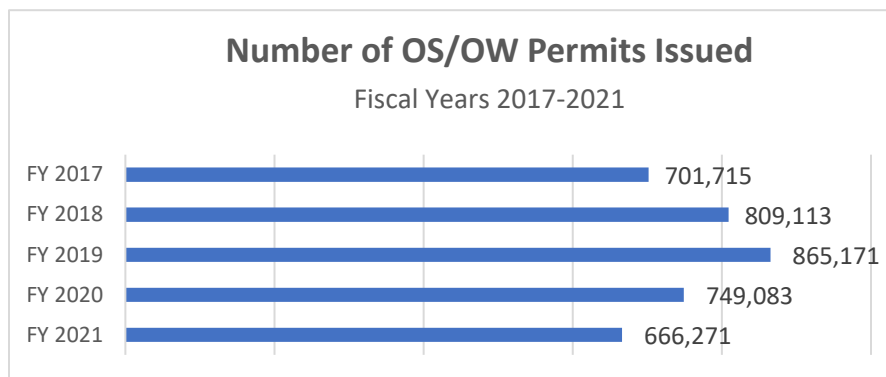
Oversize/Overweight Permits (OS/OW)

The objective of the OS/OW Permitting Section is to regulate the movement and provide oversight of OS/OW 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.

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.



In FY 2021, MCD issued 666,271 OS/OW permits and of those, almost 81 percent were single-trip routed permits. The average processing time for issuing single-trip permits is 26 minutes.



¹ Rig counts data is from Baker Hughes Company accessed on November 3, 2021 (<https://rigcount.bakerhughes.com/na-rig-count>)

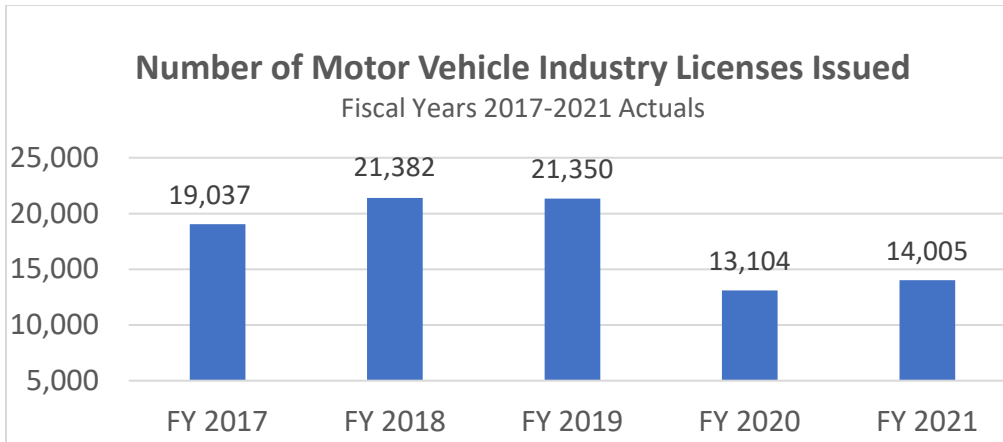
Motor Vehicle Division (MVD)

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 2021, MVD issued approximately 14,005 new and renewal licenses supporting the more than 22,000 motor vehicle and salvage industry licensees in Texas.

LICENSES ISSUED BY MVD IN FISCAL YEAR 2021		
Type of License	Total by License Type	Percent of Total
Converter New	24	0.2%
Converter Renewal	54	0.4%
Distributor New	7	0.1%
Distributor Renewal	32	0.2%
Franchise New	230	1.6%
Franchise Renewal	1,365	9.7%
General Distinguishing Number (GDN) New	3,043	21.7%
GDN Renewal	8,067	57.6%
In-transit New	53	0.4%
In-transit Renewal	59	0.4%
Lease Facilitator New	6	0.1%
Lease Facilitator Renewal	22	0.2%
Lessor New	21	0.1%
Lessor Renewal	83	0.6%
Manufacturer New	17	0.1%
Manufacturer Renewal	58	0.4%
Salvage Dealer New	348	2.4%
Salvage Dealer Renewal	516	3.7%
FY 2021 Total	14,005	100%

There was a decrease of 18 percent in the overall total number of licensees in the state from FY 2020 to FY 2021. This is an ongoing result of changes made to licensing requirements during the 86th Legislative Session. Specifically, a bill was passed that eliminated salvage license endorsements (e.g., Salvage Pool Operator, Salvage Vehicle Dealer-New, Salvage Vehicle Dealer-Used, etc.) in favor of a comprehensive Salvage Vehicle Dealer License. Thus, Salvage Vehicle Dealers are no longer required to hold multiple salvage-related licenses to engage in specific activities. Furthermore, another bill was passed that allows a GDN holder (also known as an independent or used motor vehicle dealer) to operate as a Salvage Vehicle Dealer without holding a separate Salvage Vehicle Dealer License.



MVD saw an increase of 6.9 percent in the number of vehicle industry licenses issued during FY 2021 compared to FY 2020. This increase may be attributable to continued economic recovery from impacts of COVID-19. Continued economic recovery may allow new growth of businesses in the motor vehicle industry, as well as aid in the recovery of existing businesses.

During the 87th Legislative Session, there were no bills enacted that directly impacted the total number of licensees in the state. However, there was a bill enacted to address misuse of temporary tags, which impacts several divisions within the department, including MVD.

MVD further tracks its efficiency through Key Performance Indicators (KPIs) with target average processing times for GDN, franchise and salvage vehicle dealer applications.

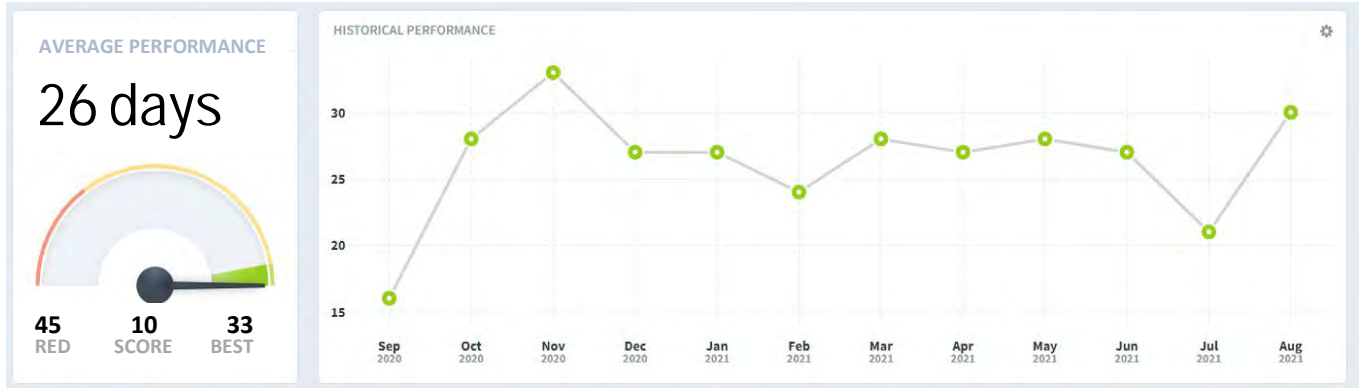
From September 2020 to August 2021, the average time to process a new GDN application was 14 days, three days faster than the KPI target of 17 days.

Average Processing Time for New General Distinguishing Number (GDN) Applications Average Number of Days by Month, September 2020 – August 2021



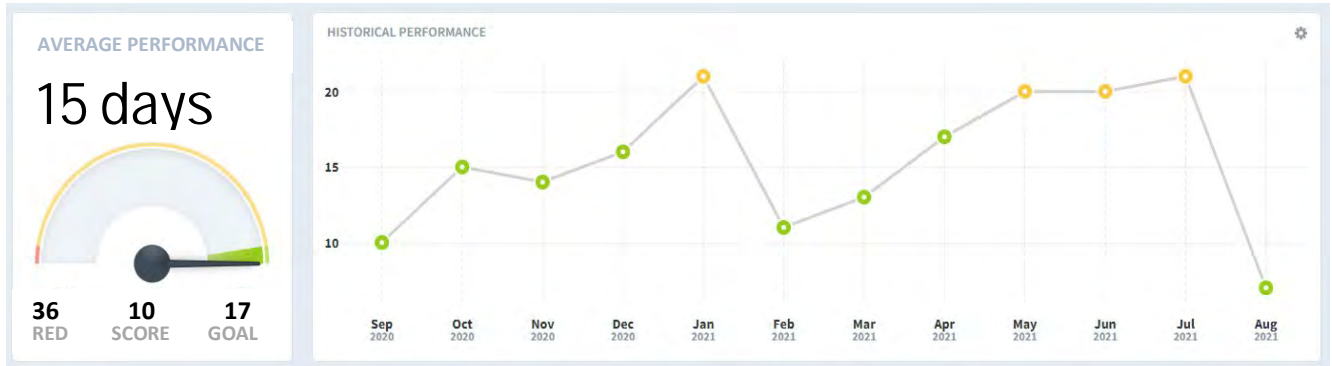
From September 2020 to August 2021, the average number of days to process a new franchise license application is 26 days, which is seven days faster than the KPI target of 33 days.

Average Processing Time for New Franchise Dealer License Applications
Average Number of Days by Month, September 2020 – August 2021



From September 2020 to August 2021, the average number of days to process a new salvage vehicle dealer application is 15 days, which is two 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 2020 – August 2021



Additionally, from FY 2020 to present, MVD has assigned all license applications on average within one day of receipt of the application. MVD’s increased 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 volume of cases settled through mediation, 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 2021, 99 percent of participating license holders agreed they are satisfied overall with the service MVD provides.

Motor Vehicle Crime Prevention Authority (MVCPA)

The Motor Vehicle Crime Prevention Authority (MVCPA) is a division within TxDMV funded by General Revenue that supports the separate, governor-appointed, MVCPA Board. The board has three statutory duties not within TxDMV under Texas Transportation Code, Chapter 1006:

1. Collection of a \$4 fee from insurers for every vehicle covered by any form of insurance;
2. Determine refunds when insurers claim to have overpaid the fee; and
3. Give grants and operate programs to combat and prevent motor vehicle crime.

The department provides support staff to MVCPA through an interagency agreement. MVCPA has direct planning responsibilities in addition to reporting activities and expenditure requirements to the Legislature every year.

TxDMV's omnibus legislation (HB 3514 by Rep. Canales, 87th Legislation Session) was signed by Gov. Abbott and contained three clean-up provisions pertaining to MVCPA. One section removed MVCPA from a Texas Department of Transportation (TxDOT) report (a holdover from when MVCPA was under TxDOT). A second section applied the general tax code penalty for late payment and late filing to the MVCPA fee. The final section allowed MVCPA to recover any costs associated with a denied or improperly requested refund from insurers. All of these were submitted by the MVCPA Board to the TxDMV Board for inclusion in the board's legislative recommendations.

MVCPA division staff worked with the Texas Comptroller of Public Accounts (CPA) to collect more than \$102 million for deposit into the General Revenue Fund from the MVCPA fee. MVCPA's appropriation for Fiscal Year 2020-2021 was cut by five percent. The division bore much of the reduction in administrative costs to keep from losing grant-funded officers in communities throughout the state. The division absorbed the following activities:

- Established MVCPA Board Policy and TxDMV processes to create and implement the new Rapid Response Strikeforce grant program;
- Changed an existing position upon request by MVCPA and assisted the Human Resources (HR) Division to hire a law enforcement specialist for a department initiative. This position and the initiative will examine and develop new types of funding streams to serve law enforcement that directly support MVCPA's vision and mission while complementing TxDMV's mission and vision;
- Implemented a new requirement adopted by the MVCPA Board for Fiscal Year 2022 Taskforce Grants that require grantees to participate in monthly intelligence-sharing webinars and actively use the Virtual Command Center (VCC). Division staff manage the VCC through a secure FBI website;

- Division staff maintain social media and web-based tools on behalf of the MVCPA Board to promote motor vehicle crime prevention to the public; and
- Division staff maintain motor vehicle crime prevention printed materials in English and Spanish – two versions of printed brochures and coloring books, focusing on crime prevention and vehicle protection.

STATUTORY REQUIREMENTS REPORTED BY MVCPA GRANT RECIPIENTS		
Activity	Fiscal Year 2020	Fiscal Year 2021
Recovered Stolen Vehicles	12,860	11,533
Cleared Motor Vehicle Theft Cases	19,258	17,690
Persons Arrested for Motor Vehicle Theft	3,593	3,171
Cleared Burglary of a Motor Vehicle Cases	2,419	1,762
Arrested for Burglary of a Motor Vehicle	736	663
Cleared Fraud-related Motor Vehicle Crime Cases -NEW	134	224
Persons Arrested for Fraud-related Motor Vehicle Crime-NEW	51	78

Vehicle Titles and Registration (VTR) Division

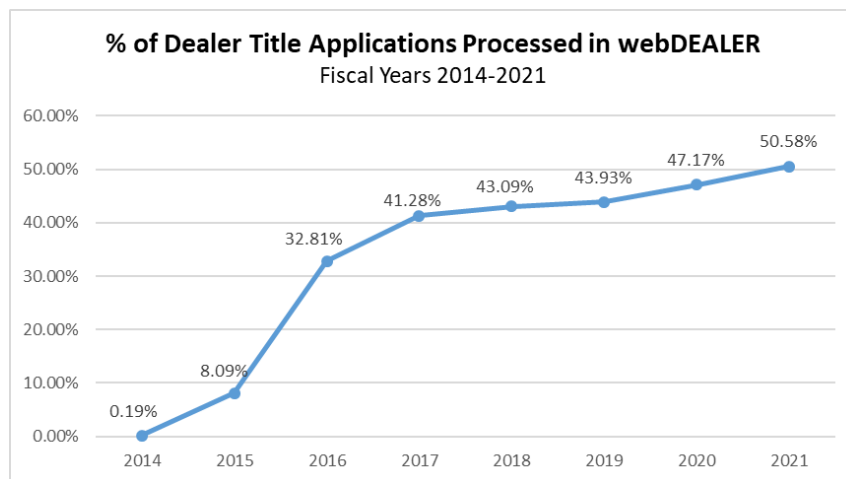
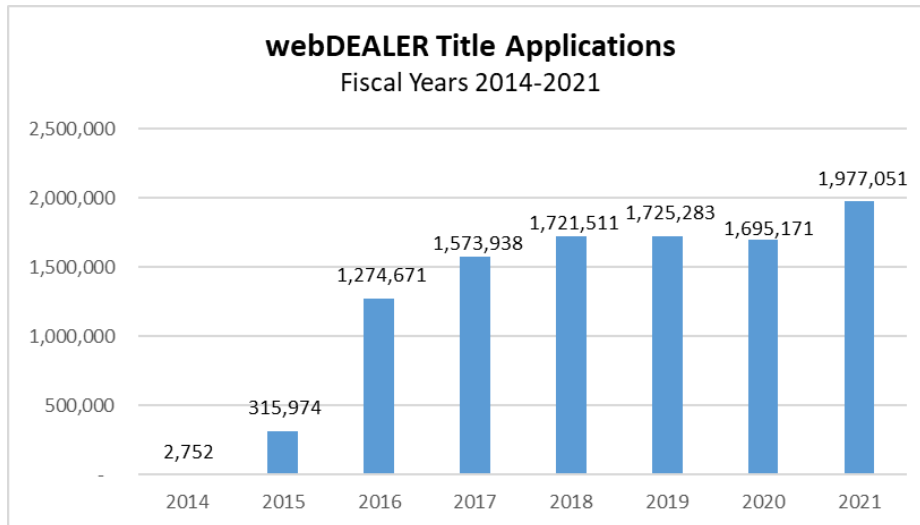
Title Performance Data

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 licensed Texas 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.

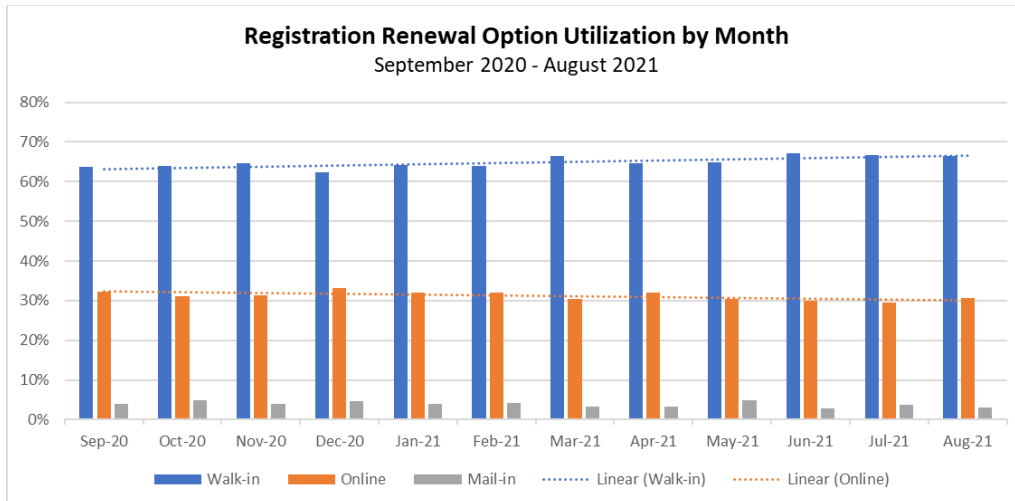


This is not only a benefit to the dealer, but it also affords TxDMV quicker visibility of title applications for examination purposes. Data trends since Fiscal Year 2014 indicate the use of webDEALER has increased as indicated in the charts below. The department anticipates the increase to continue since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



Registration Performance Data

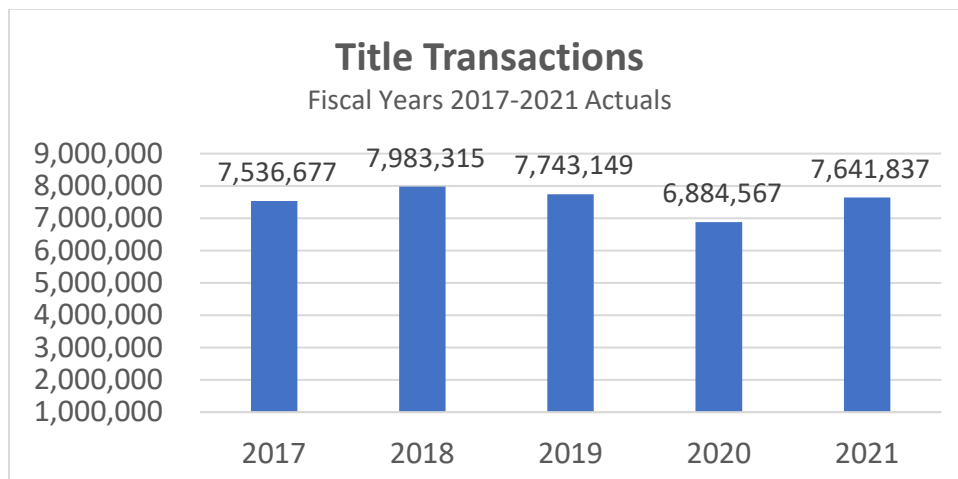
Under Texas Transportation Code, Chapter 502, owners of motor vehicles, trailers and semitrailers are required to apply for annual registration for each registration year in which the vehicle is used or will be used on a public highway. The state's 254 county tax assessor-collectors process various registration-related 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.

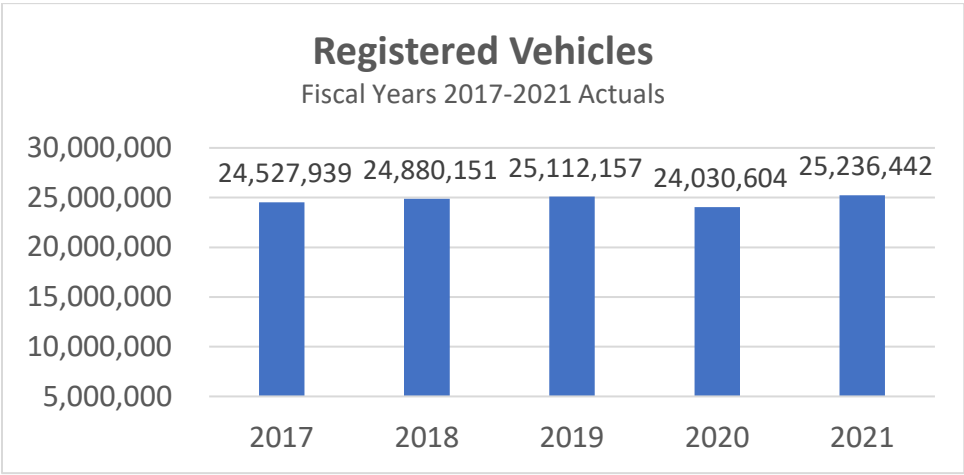


COVID-19

Consistent with the suspension issued by Governor Abbott in 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 was due. Many tax assessor-collectors’ 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 11percent in FY 2020 compared to FY 2019 and initial registrations and registration renewals declined by four percent for the same period. For FY 2021, title transactions rebounded 11 percent and initial registrations and registration renewals rebounded by five percent from the levels impacted by COVID-19 in FY 2020.

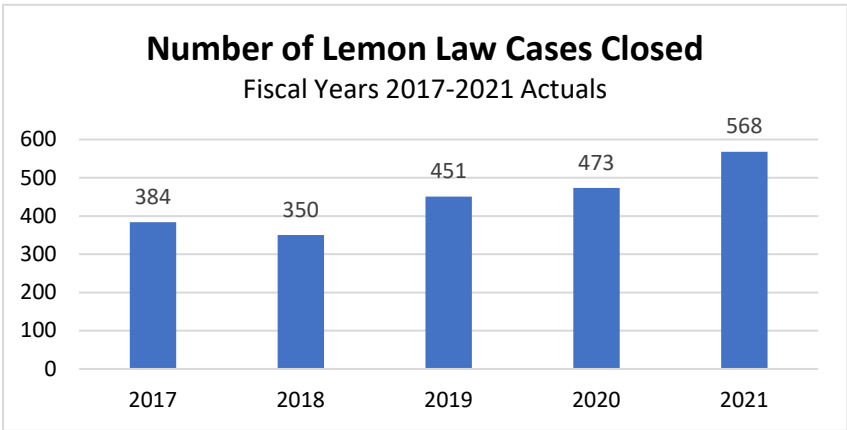




Office of Administrative Hearings (OAH) Division

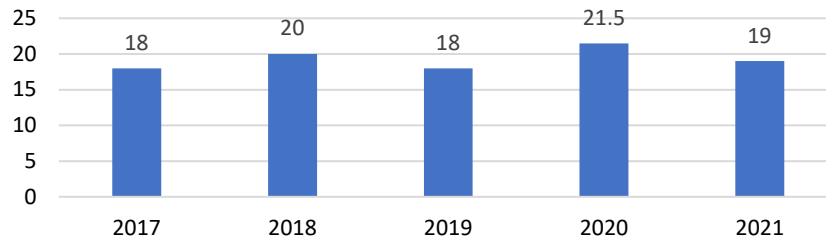
OAH was established to streamline the process of conducting hearings under Texas’ Lemon Law. Texas was one of the first states to pass a Lemon Law to assist buyers and manufacturers with new vehicle warranty performance. OAH’s customers include the motoring public and motor vehicle converters, distributors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

In FY 2021, OAH completed 568 Lemon Law and warranty performance complaints, 95 more complaint closures over FY 2020, an increase of approximately 20 percent; each one in an average of 19 weeks, outperforming the target of 23 weeks established by the General Appropriations Act (GAA). OAH experienced a three percent decrease in cases referred by the Enforcement Division – from 510 referrals in FY 2020 to 497 in FY 2021.



Average Number of Weeks to Close a Lemon Law Case

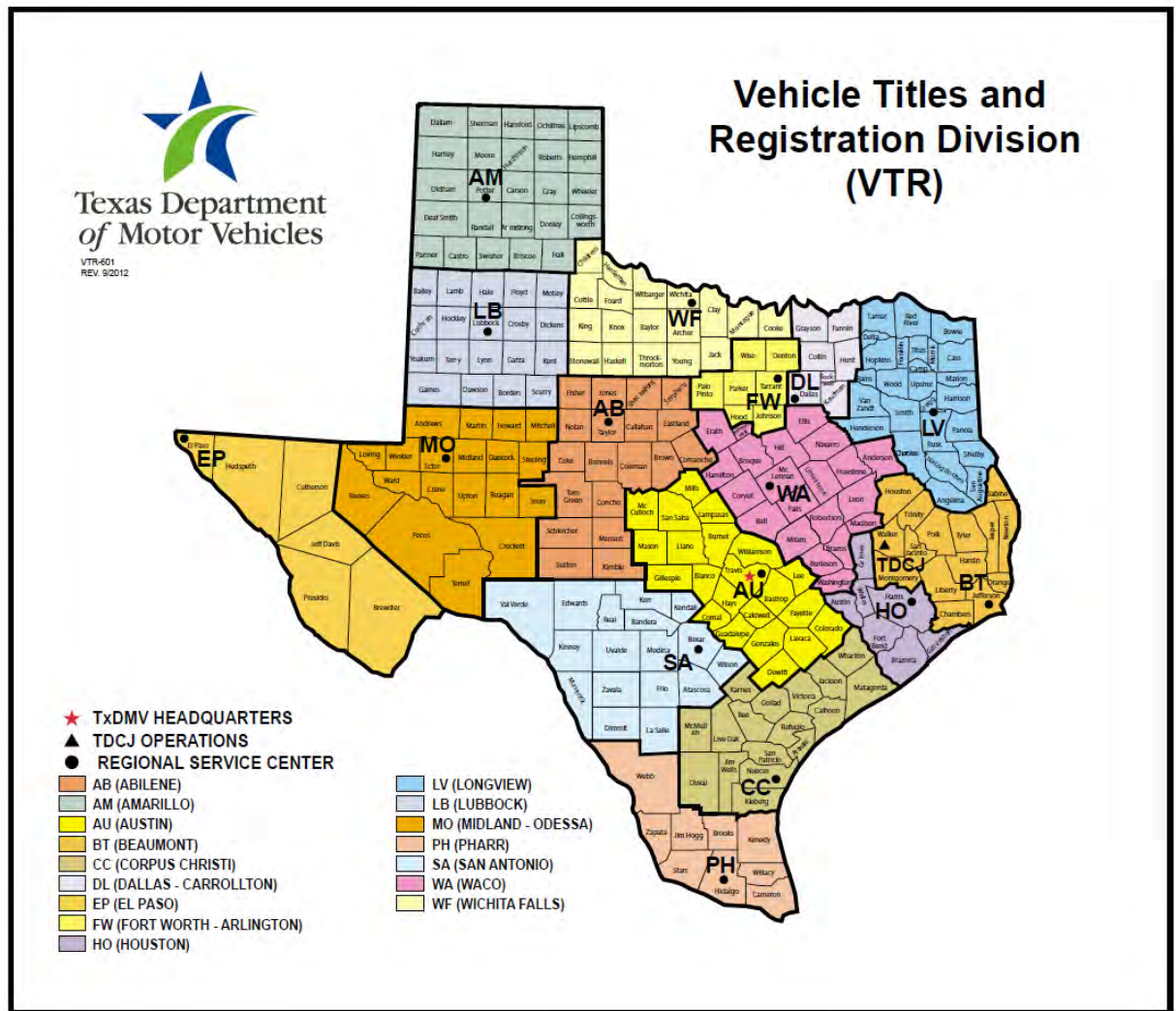
Fiscal Years 2017-22021 Actuals



Facilities

TxDMV is headquartered in Austin 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



Currently, the Camp Hubbard Campus is owned by the Texas Department of Transportation (TxDOT). TxDOT and TxDMV share responsibility for facilities-related needs and repairs through an annual interagency contract between the agencies for the TxDMV-occupied buildings. All facility-related services will be transitioned from TxDOT to TxDMV in conjunction with the planning and design of a new headquarters building for the TxDMV, as discussed below.

Planning and Design of New Headquarters Building

History

In 2017, the legislature enacted a bill granting 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 on the Camp Hubbard campus to TxDMV.

A Facilities and Maintenance Transition Work Group, comprised of TxDMV and TxDOT staff, has been working toward transitioning ownership of the property and facilities on the the Camp Hubbard campus.

TxDOT advised TxDMV that they anticipate beginning to move into their newly-built campus in 2022. In preparation for the TxDOT move, TxDMV facilities staff developed a transition plan that lists maintenance and other facilities-related items currently handled by TxDOT and is working to determine specific transition timelines.

New Building Planning and Design (Phase 1)

In FY 2021, the 87th Legislature approved funding of \$6.2 million for the planning and design (Phase 1) of a new TxDMV headquarters facility to be located on the Camp Hubbard campus.

The approval of the funding was predicated on Texas Facilities Commission (TFC) assessments of the age and condition of current structures that concluded it was more cost-effective to plan for new construction rather than repair existing structures.

Phase I will be conducted through an inter-agency contract with TFC, with extensive input from TxDMV executive management. TxDMV will work with TFC during Phase I to determine the approach and footprint that aligns with TxDMV's future needs, a changing work environment and the highest and best use of taxpayer dollars.

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 Fiscal Year 2021

Each of the projects closed in FY 2021 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.

Texas by Texas

TxDMV partnered with DIR to build a web application and a native mobile application for vehicle registration renewals in a platform called Texas by Texas (TxT). TxT allows constituents of Texas to use a secure and mobile-friendly platform to do business with multiple state agencies using one user account (single sign-on). TxT will serve as a personal and portable government assistant that is mobile-friendly, easier, faster, and a more secure way for Texans to take care of government to-do's – like TxDMV vehicle registration renewal. The main phase of this project implementation went live Aug. 30, 2021.

Microsoft Teams Implementation

TxDMV acquired and deployed Microsoft Teams Audio Conferencing features as a standard communication tool. The tool provided an efficient and effective way of doing business remotely. The department obtained 875 user licenses at no charge for three years until November 2023 and saved additional expenses for the agency. The tool was implemented in June 2021.

Statewide webDEALER phase 1

The Statewide webDEALER phase 1 project objective was to resolve application issues and increase statewide usage of the application. The department resolved 22 tickets that addressed the defects and provided application enhancement. Phase 1 was completed and closed in June 2021.

Call Center Phase 1

The Call Center Upgrade project improved customer interaction quality by upgrading call center software to the latest version that provides a highly scalable, secure and fully supported solution. This project also provided an enhanced end-user experience through an advanced predictive algorithm call back feature.

Practice and Learn (PAL) System

Practice and Lean system was migrated to a dedicated hardware. A practice RTS environment was implemented that permits improved learning, training, and customer service.

Active Projects in FY 2022

Many ITSD projects to be implemented during FY 2022 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 Batch Cycle Project

The objective of this project is to reduce the run time of 33 high priority batch jobs.

Project benefits:

- Code modernization, moving from Maxenso to Java;
- Runtime optimization;
- Timely processing of 33 high priority RTS batch jobs; and
- Shortened run times for the rewritten jobs by 95 percent.

webLIEN

The objective of the project is to develop and implement a web-based, self-service application for use by entities securing liens electronically with TxDMV.

Project benefits:

- Provide web-based application to all lienholders and Electronic Lien and Title Program (ELT) vendors at no cost;
- Eliminate paper application and manual processing; and
- Automated processes will reduce fraud and cost, as well as provide improved data accuracy and access to more stakeholders.

Call Center Upgrade Phase 2

The objective of the project is to implement a modern Post Call Survey Tool that will improve customer interaction quality with the department.

Project benefits:

- Collect actionable customer feedback;
- Uncover the root cause of good or bad experiences; and
- Track and measure customer satisfaction using industry best practices.

Statewide webDEALER Adoption (SWA)

The objective of the project is to provide enhancements and resolve defects that improve usability and customer experience for the webDEALER application.

Project benefits:

- Improve usability and customer experience for the webDEALER application; and
- Improvements will help support increased adoption of the application across all counties.

Texas International Registration Program (TxIRP)

The objective of the project is to improve the TxIRP online user experience and reduce Out-of-Service (OOS) fraud.

Project benefits:

- Improve user experiences through website responsiveness for mobile devices; and
- Add automated financial capabilities and improved reporting.

County Refresh

The objective of the project is to refresh county tax assessor-collector workstations and printers that have reached the end-of-life.

Project benefits:

- Refreshing county workstation and printer equipment to maintain lifecycle continuity;
- Improve productivity;
- Assure application compatibility; and
- Improve security posture.

T1 to Fiber Upgrade Project

The objective of the project is to upgrade county offices from T1 circuits to AT&T Metro Ethernet with an LTE (cellular) backup and refreshing end-of-life networking hardware.

Project benefits:

- Reduce downtime and improve connection stability;
- Increase bandwidth in-line with technology demands;
- Upgrading routers, switches, and firewalls to mitigate obsolescence; and
- Modernize IT administration capabilities and enhance enterprise security administration.

DocuSign Implementation Project

The objective of the project is to implement the eSignature solution that enables fast and secure digital signatures across the department.

Project benefits:

- Support Remote workforce;
- Replace antiquated processes with automated workflows; and
- Upgrade TxDMV digital signing tool with a more robust industry standard technology that meets security and compliance requirements by DIR and TxDMV.

Legislative Update

While nearly 7,000 bills were filed during the regular session of the 87th Texas Legislature, just more than 1,000 bills were finally passed. Of those, 70 bills impact TxDMV. Approximately half of those 70 bills directly impact a program while the others include measures all state agencies must follow.

Appropriations

The General Appropriations Act, Senate Bill (SB) 1, and a supplemental appropriations bill, House Bill (HB) 2, provide funding to ensure TxDMV can perform its statutory duties and continue to provide outstanding customer service to Texans. Funding for the 2022-2023 biennium totals \$320.39 million, and 808 Full-Time Equivalents (FTEs) are authorized. This amount provides funding for day-to-day operations, automation enhancements and new projects, capital projects, and funding for the Motor Vehicle Crime Prevention Authority (MVCPA). Newly funded items include:

- \$3.1 million for the webSALVAGE automation project;
- \$3.5 million for an Accounts Receivable System, including two new employees for implementation and support;
- \$6.2 million for planning of a new headquarters building;
- \$4.3 million in additional funding for MVCPA;
- \$250,000 for programming costs to allow for extended fleet registration for Harris County (SB 1064); and
- \$540,000 for four new positions to assist in data records management (SB 15).

Board Recommended Changes

Section 1001.025 of the Transportation Code authorizes the TxDMV Board to recommend statutory changes that would improve the department's operations. These recommendations resulted in several bills being filed (HBs 3514, 3531, 3532, 3533, and 4276; and SBs 15, 1814, 1815, 1816, and 1817). The recommendations that became law include:

- Lemon Law-related clean-up items, including: 1) reinstates a long-standing Public Information Act exception; 2) clarifies that hearings examiners issue final orders in Lemon Law cases; 3) filing fee reimbursement occurs by statute rather than final order; and 4) allows the chief hearings examiner to designate another hearings examiner to decide motions for rehearing. (HB 3514)
- Property tax appraisers are no longer required, but are still allowed, to report dealers who do not file their motor vehicle inventory declarations. Such reports must include written verification that the dealer has been informed of the requirement to file a declaration. The requirement to report dealers who sell fewer than five vehicles remains in place. (HB 3514)
- Several updates were made related to MVCPA, including: 1) ends an outdated reporting requirement; 2) authorizes the recovery of costs related to denied refunds of insurer fees and the assessment of standard penalties and interest on late payments and reporting related to the insurer fee; and 3) excludes the administrative expenses related to collecting the insurer fee from the 8 percent limit on administrative expenses for each fiscal year. (HB 3514)
- The surety bond required for certain dealers increased to \$50,000, and dealers are required to provide more notice to consumers regarding the bond. (HB 3533)
- Entities no longer eligible to receive motor vehicle data/records must purge previously obtained motor vehicle data/records or be subject to penalties. This was part of many changes to privacy protections/records access, see below for more. (SB 15)

- Rulemaking authority to set the maximum number of temporary tags that a dealer can be issued (based on certain metrics and limits). This was part of other changes related to temporary tags, see below for more. (HB 3927)
- Bonds for certain oversize/overweight (OW/OW) vehicle permits are not required if the vehicle is registered as a motor carrier and reporting requirements for certain OS/OW permits is through online postings to match long-standing practice. (SB 1814)
- State statute now matches federal standards for: 1) idle reduction technology and emergency vehicle weights; 2) automobile transporter and towaway trailer transporter combination lengths; and 3) annual overlength permit being only for non-divisible loads. (SB 1815)
- Holds must be placed on processing a title if requested and accompanied by evidence of a legal action regarding ownership of or a lien interest in the vehicle. Also, the statute clarifies that salvage or nonrepairable vehicles are not subject to title hearings or title bonds. These changes make clear in statute what has been a long-standing practice. (SB 1817)

Some recommendations did not get enacted due to time constraints and other factors unrelated to the substance of the changes themselves. The recommendations to amend Transportation Code Chapter 501 to ensure there is no difference between paper and electronic titles and to streamline certain parts of salvage vehicle titling, along with various clean-up changes related to specialty license plates, will have to be addressed in the future. Also, other recommendations such as ending bonds for weight tolerance and timber permits, did not become law.

Vehicle Temporary Tag Changes

HB 3927 made several changes to how temporary tags are administered. As noted above, a board recommendation to allow rulemaking to set the maximum number of tags that can be issued was enacted. The numbers will be based on quantifiable metrics including time in operation, sales data, expected growth and expected market changes. The department may authorize more tags upon request and proven need. The bill also allows denial of access to the temporary tag database by users who fraudulently obtain tags from the database. Notice, by both electronic and certified mail, must be given before access is denied, and denied users may request a hearing. Lastly, the bill makes clear that vehicles located out-of-state when purchased by a non-resident and antique and special interest vehicles purchased at a public auction are not required to get a Texas safety inspection to get a buyer's temporary tag.

Vehicle Records & Privacy Protection Changes

SB 15, the Texas Consumer Privacy Act Phase 1, changed who can receive personally identifiable information in motor vehicle records and the types of information they can receive and disclose. The bill also included the above-discussed board recommendation. Information like date of birth and email address is now further protected from release in certain circumstances, and information can no longer be released for the purposes of conducting motor vehicle market research activities, including survey research, unless the requestor is one of the following or an agent of or provider of services to the following: a motor vehicle manufacturer, dealership, or distributor. The bill allows TxDMV to share certain information more efficiently with other government entities like law enforcement agencies. The bill makes it an offense if a person sells personal information to any person not authorized to receive it and allows for civil action to address violations. Also, those who are authorized to access personal information in bulk under a contract must meet new insurance, bonding, and contract requirements, as applicable.

Vehicle Title and Registration Changes

- **Title and Registration in Any Willing County**
SB 876, effective March 1, 2022, allows customers and dealers to title and register a vehicle in any county willing to do the transaction. The county processing the transaction will retain a portion of the title and/or registration processing and handling fees, but applicable sales taxes and local fees like the County Road & Bridge Fee will go to the customer's county of residence.
- **Online Registration Renewals**
HB 2152 extends the time customers are eligible to renew their vehicle registration online.
- **Human Trafficking Prevention Donation**
HB 2633 established the Trafficked Persons Program account (administered by Texas Department of Family and Protective Services) and allows customers to donate to the program online at the time of motor vehicle registration or renewal.
- **Possessory Liens**
For motor vehicles with a gross vehicle weight of at least 16,000 pounds, HB 2879 provides mechanics with flexibility regarding the deadline by which a notice to foreclose on a lien must be filed with county tax assessor-collector's office.

License Plates

- **Disabled Veteran License Plates**
SB 792, effective Jan. 1, 2022, allows a disabled veteran (DV) who is also eligible for regular disabled license plates to choose to have a DV plate with the international symbol of access (ISA) on it. To access privileged parking for persons with physical disabilities, vehicles must display the ISA on a license plate or placard.
- **Golf Cart in Master-Planned Communities**
HB 1281 allows golf carts to be operated in a master-planned community without a golf cart license plate. Counties with populations of less than 500,000 that also border the Gulf of Mexico may allow golf carts on certain highways in unincorporated areas of the county.
- **New Military-related Specialty License Plates**
 - Army Special Forces (HB 1936)
 - Borinqueneers Congressional Gold Medal (HB 912)
 - Presidential Service Badge (HB 1081)
 - U.S. Navy Submarine Service (SB 791)
- **New Specialty License Plates**
 - Autism Awareness (HB 4080)
 - Family First (SB 1123)
 - Make-A-Wish (HB 1863)
 - Stop Human Trafficking (HB 2633)

Conclusion & Looking Down the Road

With a growing number of vehicles on Texas roadways and motor vehicle registrations increasing, TxDMV continues its mission providing quality motor vehicle-related services to serve, protect and advance the interests of citizens and industries throughout the state.

The department also continues to pursue multiple opportunities to reduce the number of fraudulent temporary tags (paper license plates) seen on Texas roadways.

The administrative rule that gives TxDMV the authority to deny a motor vehicle dealer access to the temporary tag databases when TxDMV determines the dealer fraudulently obtained tags became effective Jan. 27, 2022, and the rules establishing maximum temporary tag limits for dealers became effective Feb. 14, 2022. These new rules eliminate dealer's ability to print unlimited numbers of temporary tags for criminal activity, while ensuring legitimate dealers have access to the number of temporary tags needed to support their businesses.

The department continues to enhance coordination and collaboration with local, state and federal law enforcement. Planned steps to strengthen communication with law enforcement contacts will continue to result in enforcement gains throughout the state.

Appendices

Appendix A: TxDMV Organizational Chart

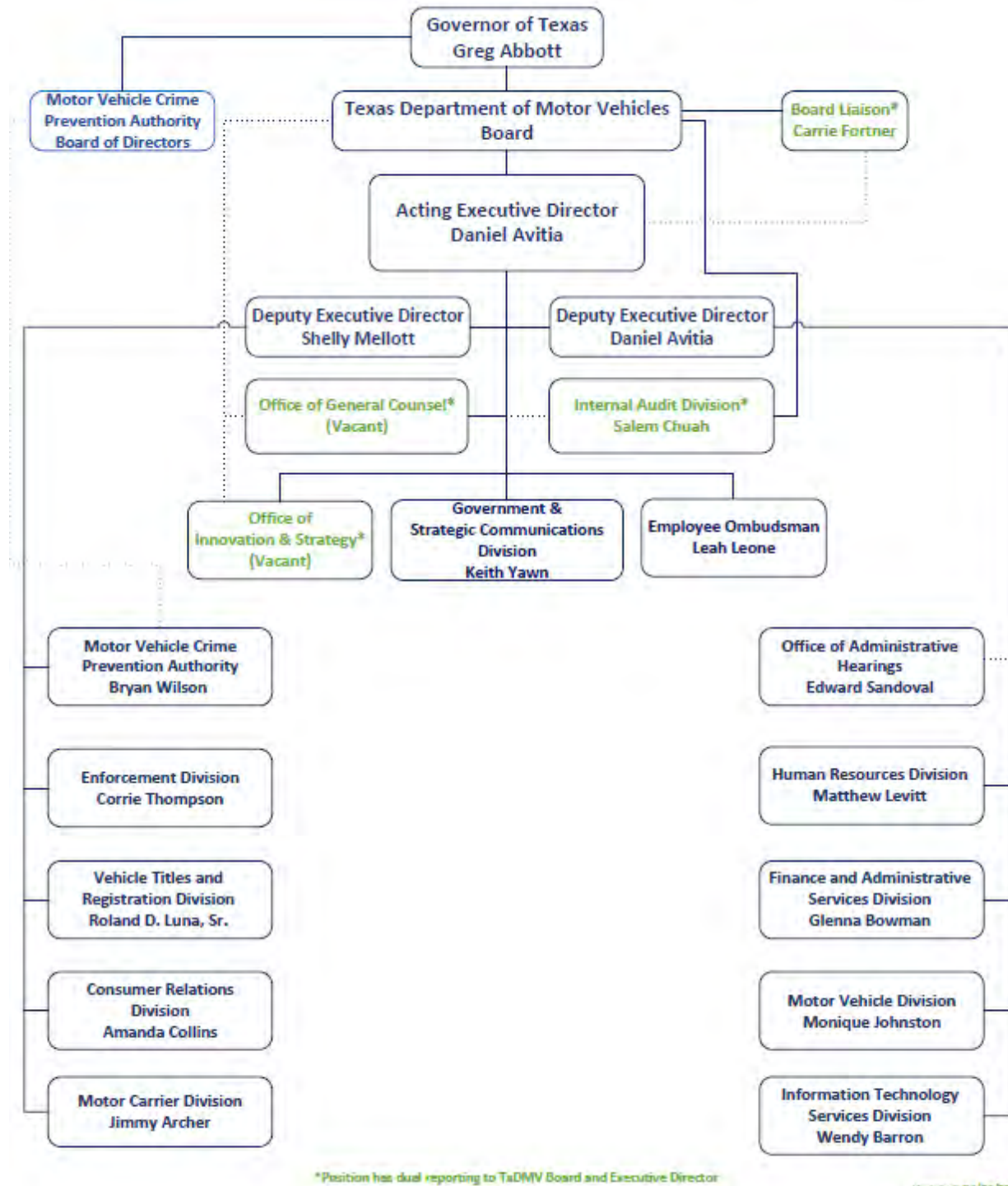
Appendix B: TxDMV Board Members

Appendix C: TxDMV Executive Contact Information

Appendix D: List of MVCPA Grants Awarded for 2020

Appendix E: TxDMV Staff Participation in State and National Organizations

Appendix A: TxDMV Organizational Chart



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
Charles Bacarisse, Chair	3/26/2019 – 2/1/2025 Appointed by Gov. Abbott 5/4/2021-Present Appointed Chair by Gov. Abbott	Customer (Public Representative)	Houston
Tammy McRae, Vice Chair	3/26/2019 – 2/1/2025 Appointed by Gov. Abbott	Tax Assessor – Collector	Conroe
Christian Alvarado	3/26/2019 – 2/1/2025 Appointed by Gov. Abbott	Customer (Public Representative)	Austin
Stacey Gillman	3/26/2019 – 2/1/2025 Appointed by Gov. Abbott	Franchised Auto Dealer	Houston
Brett Graham	8/23/2016 – 2/1/2017 Appointed by Gov. Abbott 7/30/2018 – 2/1/2023 Reappointed by Gov. Abbott	Franchised Auto Dealer	Denison
Sharla Omumu	5/4/2021-2/1/2027 Appointed by Gov. Abbott	Vehicle Manufacturing / Distributing Industry	Cypress
John Prewitt	7/30/2018 – 2/1/2023 Appointed by Gov. Abbott	Motor Carrier Industry	Cypress
Manny Ramirez	11/3/2019 – 2/1/2021 Appointed by Gov. Abbott 5/4/2021-2/1/2027 Reappointed by Gov. Abbott	Law Enforcement	Fort Worth
Paul Scott	7/30/2018 – 2/1/2023 Appointed by Gov. Abbott	Independent Auto Dealer	Lubbock

Appendix C: TxDMV Executive Contact Information

TxDMV DIRECTOR CONTACT INFORMATION	
Daniel Avitia, Acting Executive Director	daniel.avitia@txdmv.gov
Shelly Mellott, Deputy Executive Director	shelly.mellott@txdmv.gov
Jimmy Archer, Director, Motor Carrier Division	jimmy.archer@txdmv.gov
Aline Aucoin, Acting General Counsel	aline.aucoin@txdmv.gov
Wendy Barron, Chief Information Officer	wendy.barron@txdmv.gov
Glenna Bowman, Chief Financial Officer	glenna.bowman@txdmv.gov
Amanda Collins, Director, Consumer Relations Division	amanda.collins@txdmv.gov
Salem Chuah, Director, Internal Audit Division	salem.chuah@txdmv.gov
Carrie Fortner, Board Liaison	carrie.fortner@txdmv.gov
Monique Johnston, Director, Motor Vehicle Division	monique.johnston@txdmv.gov
Leah Leone, Employee Ombudsman, Civil Rights & Ethics Officer	leah.leone@txdmv.gov
Matthew Levitt, Director, Human Resources Division	matthew.levitt@txdmv.gov
Roland Luna, Sr., Director, Vehicle Titles & Registration Division	roland.luna@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
Keith Yawn, Director, Government & Strategic Communications Division	keith.yawn@txdmv.gov

Appendix D: List of MVCPA Grants Awarded for 2021

GRANTEE RECIPIENT	PROGRAM NAME	FY 2021 AWARD
City of Austin	Auto Theft Interdiction Project	\$414,319
City of Beaumont	Southeast Texas Auto Theft Task Force	\$508,623
City of Brownsville	South Texas Auto Theft Enforcement Task Force	\$889,225
Burnet County	Heart of Texas Auto Theft Task Force	\$192,400
City of Corpus Christi	Corpus Christi Auto Theft and Burglary Prevention	\$395,356
City of Dallas	Commercial Auto Theft Interdiction Squad	\$601,250
Dallas County	North Texas Auto Theft Task Force	\$519,480
City of Eagle Pass	Eagle Pass Auto Burglary & Theft Task Force	\$120,250
City of El Paso	Auto Burglary and Theft Prevention Task Force	\$894,145
Galveston County	Auto Crimes Task Force	\$451,354
Harris County	Harris County Auto Theft Unit	\$743,052
City of Houston	Houston Auto Crimes Task Force / 26 (H.A.C.T.F. / 26)	\$957,190
City of Laredo	Auto Theft Task Force	\$658,970
Lubbock County	South Plains Auto Theft Task Force	\$389,151
City of Mansfield	Tri-County Auto Burglary and Theft Task Force	\$288,600
Montgomery County	Motor Vehicle Theft Salvage and Vehicle Arson Program	\$324,640
City of Paris	Northeast Texas Auto Theft Task Force	\$102,654
City of Pasadena	Auto Theft Prevention Program	\$73,112
Potter County	Panhandle Auto Theft Unit	\$347,960
City of San Antonio	Regional Auto Crimes Task Force	\$769,600
Smith County	East Texas Auto Theft Task Force	\$320,146
Tarrant County	Tarrant Regional Auto Crimes Task Force	\$1,101,971
Travis County	Sheriff's Combined Auto Theft Task Force	\$607,154
City of Victoria	Law Enforcement / Detection / Apprehension	\$148,840
Total MVCPA Award for Fiscal Year 2021		\$11,819,442

Appendix E: TxDMV Staff Participation in State & National Organizations

NAME	DIVISION	TITLE	ORGANIZATION	ROLE
Daniel Avitia	Exec	Acting Executive Director	National Association of Motor Vehicle Boards and Commissions	Member
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
Corrie Thompson	ENF	Director	TCOLE Training Board	Member
Brian Ge	ENF	Managing Attorney	International Association of Lemon Law Administrators (ALLA)	Member
Dara Benoit	ENF	Asst. Chief Investigator	TCOLE Training Board	Member
Robert Foster	ENF	Investigator	National Odometer and Title Fraud Enforcement Association (NOTFEA)	President
Mike Scott	ENF	Investigator	Association of Certified Fraud Examiners (ACFE)	Member
Earl Pearson	ENF	Chief Investigator	Austin Community Criminal Justice Board	Member
Mario Cenicerros	ENF	Investigator	Texas Association of Vehicle Theft Investigators (TAVTI)	Member
John Dufour	ENF	Investigator	International Association of Lemon Law Administrators (IALLA)	Associate Member
Sonny Gonzales	ENF	Investigator	TCOLE Training Board	Training Coordinator
Evan Whitis	ENF	Investigator	IALLA	Associate Member
Matthew Levitt	HR	Director	Austin Human Resource Management Association (AHRMA) Society for Human Resource Management State Agency Coordinating Committee (SACC) HR Directors Workgroup	Member Member Member
Joseph Greenfield	HR	Organizational & Employee Development Lead	TCOLE Training Board	Member
Derrick Miller	IAD	Senior Auditor	SAIAF Peer Review Committee	Chair

NAME	DIVISION	TITLE	ORGANIZATION	ROLE
Wendy Barron	ITSD	Chief Information Officer	Texas Association of State Systems for Computing & Communications (TASSCC) DIR Closed Data Portal (CDP) Texas IT Collaborative Workgroup DIR Data Center Services (DCS) Program Partner Group Four	Board Member Member IT Leadership Committee (ITLC) Representative
Will Hilton	ITSD	Deputy Chief Information Officer	DIR DCS Program Partner Group Four Multi-State Information Sharing & Analysis Center (MS-ISAC)	Member Resiliency Workgroup Member
Jimmy Archer	MCD	Director	Innovative Technology Deployment (ITD) Working Group; Steering Committee CAV Task Force Freight & Delivery Subcommittee International Registration Plan AAMVA Resiliency & Response Working Group	Member Member Voting Member Member
Carol Fallin	MCD	Manager, Credentialing Section	Unified Carrier Registration (UCR) Board UCR Education & Training Subcommittee Working Group UCR Finance Subcommittee National Conference of Transportation Specialists (NCSTS) ITD Working Group	Member Chair Member Treasurer Member
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	ITD Program Manager	ITD Working Group	Member

NAME	DIVISION	TITLE	ORGANIZATION	ROLE
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 Specialized Crane & Rigging Association	Member Member Member Member Liaison
Labrina Matthews	MCD	Credentialing Program Coordinator	UCR Audit Subcommittee	Board Member
Bryan Wilson	MVCPA	Director	TCOLE Training Advisory Board TAVTI International Association of Auto Theft Investigators Automobile Theft Prevention Authorities (ATPA) IAATI – ATPA Subcommittee on Performance Measurements International Association of Chiefs of Police (IACP) Vehicle Crimes Committee	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



Texas Department
of Motor Vehicles