



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

**TxDMV Board
Legislative
& Public Affairs
Committee Meeting**

2:00 p.m.

Wednesday, February 9, 2022

AGENDA
LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE
TEXAS DEPARTMENT OF MOTOR VEHICLES
WILLIAM B. TRAVIS BUILDING
1701 N. CONGRESS AVENUE, ROOM 1.111, AUSTIN, TEXAS 78701
WEDNESDAY, FEBRUARY 9, 2022
2:00 P.M.

Link to February 9, 2022, TxDMV Board Meeting Documents:
<https://www.txdmv.gov/about-us/txdmv-board-meetings>

All agenda items are subject to possible discussion, questions, consideration, and action by the Legislative and Public Affairs Committee of the Board of the Texas Department of Motor Vehicles (Committee). Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of their consideration by the Committee. The Committee reserves the right to discuss any items in closed session where authorized by the Open Meetings Act. A quorum of the Board of the Texas Department of Motor Vehicles (Board) may be present at this meeting for information-gathering and discussion. However, Board members who are not Committee members will not vote on any Committee agenda items, nor will any Board action be taken.

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1. **Roll Call and Establishment of Quorum**
2. **Pledges of Allegiance - U.S. and Texas**
3. **Comments and Announcements from Committee Chair, Committee Members, and Executive Director**
 - 5 A. [Customer Service Advisory Committee \(CSAC\) Update](#)
 - 6 B. [Texas by Texas \(TxT\) Deployment Update](#)

BRIEFING AND ACTION ITEMS

4. **Consideration and Possible Recommendation for Action to the Full Board and Briefings:**
 - 8 A. [Briefing on Legislative Implementations](#) - Keith Yawn (BRIEFING ONLY)
 - 37 B. [Briefing on 88th Regular Legislative Session Recommendations Development Schedule](#) - Keith Yawn (BRIEFING ONLY)
 - 39 C. [Briefing on Motor Vehicle Industry Regulation Advisory Committee \(MVIAC\) Meeting and Recommendations](#) - Monique Johnston and Brian Ge (BRIEFING ONLY)
 - 43 D. [Briefing on TxDMV Review of Potential Enhancements to Temporary Tags](#) - Roland Luna, Sr. (BRIEFING ONLY)
 1. [AAMVA's October 2020 Temporary Tag Best Practices Guide](#)

CLOSED SESSION

5. The Committee may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code Chapter 551:

- **Section 551.071** - Consultation with and advice from legal counsel regarding:
 - pending or contemplated litigation, or a settlement offer;
 - a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Government Code Chapter 551; or
 - any item on this agenda.

- **Section 551.074** - Personnel matters.
 - Discussion relating to the appointment, employment, evaluation, reassignment, duties, discipline, and dismissal of personnel.

- **Section 551.076** - Deliberation Regarding Security Devices or Security Audits; Closed Meeting.
 - the deployment, or specific occasions for implementation, of security personnel or devices; or
 - a security audit.

- **Section 551.089** - Deliberation Regarding Security Devices or Security Audits; Closed Meeting.
 - security assessments or deployments relating to information resources technology;
 - network security information as described by Section 2059.055(b); or
 - the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

6. Action Items from Closed Session

7. Public Comment

8. Adjournment

The Committee will allow an open comment period to receive public comment on any agenda item or other matter that is under the jurisdiction of the Committee. No action will be taken on matters that are not part of the agenda for the meeting. For subjects that are not otherwise part of the agenda for the meeting, Committee members may respond in accordance with Government Code Section 551.042 and consider the feasibility of placing the matter on the agenda for a future meeting.

If you would like to comment on any agenda item (including an open comment under the agenda item for Public Comment), you must complete a speaker's form at the registration table prior to the agenda item being taken up by the Committee or send an

email to GCO_General@txdmv.gov to register by providing the required information prior to the agenda item being taken up by the Committee:

1. a completed [Public Comment Registration Form](#); or
2. the following information:
 - a. the agenda item you wish to comment on;
 - b. your name;
 - c. your address (optional), including your city, state, and zip code; and
 - d. who you are representing.

Public comment will only be accepted in person. Each speaker will be limited to three minutes, and time allotted to one speaker may not be reassigned to another speaker.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify the department as far in advance as possible, but no less than two days in advance, so that appropriate arrangements can be made. Contact David Richards by telephone at (512) 465-1423.

I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements.

CERTIFYING OFFICIAL: Tracey Beaver, General Counsel, (512) 465-5665.



Committee Meeting Date: 2/9/2022
BRIEFING ITEM

To: Legislative & Public Affairs Committee, Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Item: 3.A
Subject: Executive Director Reports
Customer Service Advisory Committee (CSAC) Update

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

To brief the Board on the activities of the Customer Service Advisory Committee (CSAC).

FINANCIAL IMPACT

None

BACKGROUND AND DISCUSSION

The CSAC previously met on December 13, 2021 and discussed maintaining the network of limited-service deputies that process hundreds of thousands of registration renewal transactions on behalf of counties. The committee focused on best practices and means to reduce overhead costs for limited-service deputies serving multiple counties.



Committee Meeting Date: 2/9/2022
BRIEFING ITEM

To: Legislative & Public Affairs Committee, Texas Department of Motor Vehicles Board
From: Whitney Brewster, Executive Director
Agenda Item: 3.B
Subject: Texas by Texas (TxT) Deployment Update

RECOMMENDATION

Briefing only.

PURPOSE AND EXECUTIVE SUMMARY

The Texas Department of Motor Vehicles communications strategy for the Texas by Texas project focuses on promoting the native mobile application by amplifying the efforts of the paid marketing campaign supported by the Department of Information Resources. Our communications efforts began on January 31, 2022 when the Department of Information Resources distributed a multi-agency press release and a media package.

FINANCIAL IMPACT

None.

BACKGROUND AND DISCUSSION

Texas by Texas is a personal and portable government assistant that offers an even easier, faster, and more secure way for Texans to take care of government to dos – like vehicle registration renewal, driver license/ID renewal, and more.

Texas by Texas services are offered online via web browser and via native mobile application. This means that the TxDMV functions within the mobile application are part of the application instead of redirecting users to a mobile browser when using the TxT app for vehicle registration renewal.

The department is the first Texas state agency to provide such broad access to an essential service via a mobile application, allowing us to position ourselves as a future- and customer-oriented agency. The TxT mobile application has the potential to reach motorists across the state.

For Apple iOS users, the application is already available in the App Store. Android users should expect the application to arrive in Google Play in late February.

You may see commercials for Texas by Texas while watching your favorite shows or hear a commercial on the radio. If you follow TxDMV on social media, you will notice us retweeting and reposting advertisements to raise awareness of Texas by Texas and encourage motorists to sign up for an account.

Communications Highlights

- The Texas Department of Motor Vehicles communications strategy focuses on promoting the native mobile application by amplifying the efforts of the paid marketing campaign overseen by The Department of Information Resources.

- The Department of Information Resources released a media package Monday, January 31, which included a multi-agency press release and individual video messages summarizing the benefits of the Texas by Texas platform and mobile application. This release marked the start of public-facing communications efforts by TxDMV.
 - Participating agencies
 - Texas Department of Information Resources – lead agency
 - Texas Department of Public Safety
 - Texas Department of Licensing and Regulation
 - Texas Department of Motor Vehicles
- Later this year, motorists will receive Texas by Texas inserts with their registration renewal notice.

Videos

Paid marketing campaign administered through the Department of Information Resources:

- [TxT paid marketing campaign video – spot 1](#)
- [TxT paid marketing campaign video – spot 2](#)

TxDmv video released as part of the multi-agency media package:

- [TxDMV TxT video](#)

Additional videos:

- [TxT playlist](#) on the Texas.gov YouTube channel

Radio Spots

- [TxT paid marketing campaign radio spot 1](#)
- [TxT paid marketing campaign radio spot 2](#)

Social Media

We are amplifying messaging from the paid media campaign and our partner agencies through our social media channels.

Examples:





Committee Meeting Date: 2/9/2022
BRIEFING ITEM

To: Legislative & Public Affairs Committee, Texas Department of Motor Vehicles Board
From: Keith Yawn, Government & Strategic Communications Division Director
Agenda Item: 4.A
Subject: Briefing on Legislative Implementations

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

Provide the Legislative and Public Affairs Committee of the Texas Department of Motor Vehicles (TxDMV) Board status updates on the implementation of recent legislation. Updates provided during this meeting will focus on completed implementations, the availability of newly authorized specialty license plates, and in-progress implementations related to legislation nearing completion.

FINANCIAL IMPACT

No financial impact.

BACKGROUND AND DISCUSSION

The Government and Strategic Communications (GSC) Division is tracking the status of 27 pieces of legislation with direct impact or effect on TxDMV, passed during the 87th Texas Legislative Session. The department has completed implementation for 16 of the bills, 9 of the bills are in progress, and 2 of the bills are on hold for reasons outside TxDMV control.

A summary of each bill and its status is included in the following agenda item materials.

Texas Department of Motor Vehicles Summary of 87th Regular Session Legislative Implementation Activity

Contents:

- | | |
|-----------------------------------|--|
| 1. House Bill 139 (Buckley) | Military Veteran and Spouse Occupational Licensing |
| 2. House Bill 912 (Cortez) | Borinqueneers Congressional Gold Medal Specialty Plate |
| 3. House Bill 1081 (Kuempel) | Presidential Service Badge Specialty Plate |
| 4. House Bill 1698 (Raney) | Brazos County Local Fee |
| 5. House Bill 1863 (Bucy) | Make-A-Wish Specialty Plate |
| 6. House Bill 1936 (Bucy) | Army Special Forces Specialty Plate |
| 7. House Bill 2063 (Ordaz-Perez) | Family Leave Pool |
| 8. House Bill 2152 (Meyer) | Expansion of Online Registration Renewal |
| 9. House Bill 2633 (Johnson, Ann) | Stop Human Trafficking |
| 10. House Bill 2879 (Landgraf) | Heavy Vehicle Mechanics Lien Notice |
| 11. House Bill 3401 (Price) | Navy SEALs Specialty Plate |
| 12. House Bill 3514 (Canales) | OAH Rehearing Delegation (Board Recommendation) |
| 13. House Bill 3533 (Martinez) | Non-Franchise Vehicle Dealer Bonds (Board Recommendation) |
| 14. House Bill 3927 (Hefner) | Temporary Tags Regulation (Board Recommendation) |
| 15. House Bill 4080 (Jetton) | Autism Awareness Specialty Plate |
| 16. House Bill 4472 (Landgraf) | TERP Fund Deposit Changes |
| 17. Senate Bill 15 (Nichols) | Vehicle Records Access |
| 18. Senate Bill 791 (Campbell) | Navy Submariners Specialty Plate |
| 19. Senate Bill 792 (Campbell) | Disabled Veteran License Plate Use |
| 20. Senate Bill 795 (Campbell) | State Vehicle Marking Requirements |
| 21. Senate Bill 876 (Hancock) | Any Willing County Title and Registration |
| 22. Senate Bill 1064 (Alvarado) | Multi-Year Registration for Select County Fleets |
| 23. Senate Bill 1123 (Perry) | Family First Specialty Plate |
| 24. Senate Bill 1181 (Creighton) | Lien Transfers |
| 25. Senate Bill 1814 (Seliger) | Oversize/Overweight Permitting (Board Recommendation) |
| 26. Senate Bill 1815 (Seliger) | Vehicle Size & Weight Clean-ups (Board Recommendation) |
| 27. Senate Bill 1817 (Seliger) | Title Holds (Board Recommendation) |

Legislation Implementation Summary

Bill Number: House Bill 139

Session: 87R

Bill Author: Representative Brad Buckley

Bill Sponsor: Senator Beverly Powell

Committees: House Defense & Veteran Affairs, Senate Veteran Affairs & Border Security

Effective Date: September 1, 2021

Caption: Relating to state occupational licensing of certain military veterans and military spouses.

Summary: The bill makes minor adjustments to the state agency occupational licensing provisions for military members, spouses, and veterans. The definition of armed forces includes space force. Optional rulemaking for alternative licensing methods for such applicants with equivalent licensure in another state can include giving credit for education and experience. If an agency has a residency requirement for licensing, then rules must be adopted regarding proof of residency for a military spouse applicant. These rules must allow permanent change of station order for the military service member to whom the spouse is married be acceptable proof.

Implementation Status: No operational changes necessary as occupational licensing does not have a residency requirement. Out-of-state dealers will also have the dealer education requirement waived. A Board rule update may be needed to allow for a waiver. Review of potential rulemaking requirements is underway. Current rules can be found in 43 Tex. Admin. Code § 215.83 and § 221.17.

Legislation Implementation Summary

Bill Number: House Bill 1081

Session: 87R

Bill Author: Representative John Kuempel

Bill Sponsor: Senator Judith Zaffirini

Committees: House Defense & Veterans' Affairs, Senate Transportation

Effective Date: September 1, 2021

Caption: Relating to the issuance of specialty license plates to honor recipients of the Presidential Service Badge.

Summary: Requires the department to issue specialty license plates for recipients of the Presidential Service Badge. This plate is also available with the disabled veteran designation. These plates do not require a deposit to be paid to the department to begin production.

Implementation Status: Fully implemented. License plates are available as of December 20, 2021.

Legislation Implementation Summary

Bill Number: House Bill 1698

Session: 87R

Bill Author: Representative John Raney

Bill Sponsor: Senator Charles Schwertner

Committees: House Transportation, Senate Transportation

Effective Date: September 1, 2021

Caption: Relating to authorizing an optional county fee on vehicle registration in certain counties to be used for transportation projects.

Summary: Authorizes Brazos County to establish a fee of up to \$10 to be collected at the time of a vehicle registration. The fee is for the benefit of the local regional mobility authority to fund long-term transportation projects and must be approved by voters in a local referendum.

Implementation Status: Brazos County is not currently collecting this fee. Should the county notify the department they intend to collect the fee, TxDMV will need to program the Registration and Title System (RTS) accordingly. The local referendum and county implementation process allows for adequate time for the department to make these programming changes.

Legislation Implementation Summary

Bill Number: House Bill 1863

Session: 87R

Bill Author: Representative John Bucy

Bill Sponsor: Senator Jose Menéndez

Committees: House Transportation, Senate Transportation

Effective Date: September 1, 2021

Caption: Relating to the issuance of Make-A-Wish specialty license plates.

Summary: Requires TxDMV to issue specialty license plates that include the words “Make-A-Wish” and the Make-A-Wish logo. Design of the plate is required to be in consultation with the Central and South chapters of the Make-A-Wish organization. Fees collected from sale of the plate in excess of TxDMV administrative costs are credited to a dedicated account to be used by the Health and Human Services Commission to make grants to non-profit organizations providing services to children diagnosed with critical illness.

Implementation Status: Fully implemented. Make-A-Wish specialty license plates were available for sale beginning December 20, 2021.

Legislation Implementation Summary

Bill Number: House Bill 1936

Session: 87R

Bill Author: Representative John Bucy

Bill Sponsor: Senator Charles Schwertner

Committees: House Defense & Veterans' Affairs, Senate Administration

Effective Date: September 1, 2021

Caption: Relating to the issuance of specialty license plates to honor members of the United States Army Special Forces.

Summary: Requires the department to issue specialty license plates for persons who serve or have served in the armed services and have earned United States Army Special Forces qualifications. These plates do not require a deposit to be paid to the department to begin production.

Implementation Status: Fully implemented. License plates are available as of December 20, 2021.

Legislation Implementation Summary

Bill Number: House Bill 2063

Session: 87R

Bill Author: Representative Claudia Ordaz Perez

Bill Sponsor: Sen. Charles Schwertner

Committees: House State Affairs, Senate Business and Commerce

Effective Date: September 1, 2021

Caption: Relating to the establishment of a state employee family leave pool.

Summary: Requires all state agencies to establish and administer a Family Leave Pool. Leave balances in these pools come from the voluntary transfer/donation of sick or vacation leave earned by that agency's employees. The bill sets standards for contribution to, withdrawal from, and approved use of time in the pool.

Implementation Status: Associated administrative rules were published on December 17, 2021. The TxDMV Board will consider adoption of the proposed rules in a future meeting. The TxDMV Human Resources Division is developing a more detailed policy as part of the department's Human Resources Manual to complement the above referenced administrative rules.

Legislation Implementation Summary

Bill Number: House Bill 2633

Session: 87R

Bill Author: Representative Ann Johnson

Bill Sponsor: Senator Joan Huffman

Committees: House Human Services, Senate Health & Human Services

Effective Date: September 1, 2021

Caption: Relating to resources provided to human trafficking victims and the establishment of the trafficked persons grant program.

Summary: The bill requires the department to produce specialty license plates to support the trafficked persons program administered by the Texas Health and Human Services Commission. After deduction of the department's costs, the remainder of the license plate fee is deposited to the trafficked persons program fund. An \$8,000 deposit is required to produce the plate. The department is required to design the plate in consultation with an unnamed human trafficking organization.

The bill also requires the department to direct a person to the opportunity to donate to the trafficked persons program fund during vehicle registration or renewal.

Implementation Status: Partially implemented. TxDMV has not received the required deposit to begin the process of producing the authorized license plate.

A link to donate to the fund is available on the department website. This will also be present in IVTRS upon deployment of release 12.0, scheduled for February 2022. Donation ability is also expected to be available in Texas by Texas at that time.

Legislation Implementation Summary

Bill Number: House Bill 2879

Session: 87R

Bill Author: Representative Brooks Landgraf

Bill Sponsor: Sen. Kel Seliger

Committees: House Business and Industry, Senate Business and Commerce

Effective Date: September 1, 2021

Caption: Relating to notice required in connection with possessory liens on certain motor vehicles.

Summary: Creates a new option for mechanics to place a possessory lien on a motor vehicle when payment is not made for repairs. Mechanics can now file a copy of the required notice with the county tax assessor-collector no later than the 30th day before the proposed date of the vehicle sale or disposition. The bill maintains an existing process allowing a mechanic to file a notice with a county tax assessor-collector within 30 days of the completion of repairs.

Implementation Status: Implemented on September 1, 2021, with department updates to the Title Manual (Chapter 23), Mechanic's Lien Foreclosure (Form VTR-265-M) and the Mechanic's Lien Procedures Flowchart. County tax assessor-collectors have been notified of the provisions of the bill and external educations efforts are ongoing.

Legislation Implementation Summary

Bill Number: House Bill 3401

Session: 87R

Bill Author: Representative Four Price

Bill Sponsor: Senator César Blanco

Committees: House Defense & Veterans' Affairs, Senate Transportation

Effective Date: September 1, 2021

Caption: Relating to the issuance of specialty license plates to honor members of the United States Navy SEALs.

Summary: Requires the department to issue specialty license plates for members of the armed forces who have been awarded the Special Warfare Insignia. This plate does not require a deposit to be paid to the department to begin production.

Implementation Status: Not implemented. The United States Navy did not approve the department's use of the Special Warfare Insignia and the words "Navy SEALs" to produce the intended plate. As a matter of standard policy, the US Navy does not permit any entity or state to use the Navy SEALs trademark.

Legislation Implementation Summary

Bill Number: House Bill 3514

Session: 87R

Bill Author: Representative Terry Canales

Bill Sponsor: Senator Kel Seliger

Committees: House Transportation, Senate Transportation

Effective Date: September 1, 2021

Caption: Relating to the functions of the Texas Department of Motor Vehicles; authorizing a penalty.

Summary: Items in this bill were recommendations made by the TxDMV Board to update statutes and improve a variety of department operations. Outdated references to “Motor Vehicle Board” and to how final orders are issued in Lemon Law cases were updated. Also related to Lemon Law, a Public Information Act exception for active cases was reinstated, and more flexibility was allowed for conducting re-hearings. Counties and the department were given more flexibility in cases of a dealer not filing their inventory tax declarations. The bill contained wording clean-ups to a section of code that contained conflicting language regarding dealer hearing procedures. Motor Vehicle Crime Prevention Authority (MVCPA) related updates removed an outdated Texas Department of Transportation reporting requirement and aligned statute with longstanding fee refund and Comptroller collection practices. Also, MVCPA expenses related to improving fee collection efforts were excluded from administrative expense limits.

Implementation Status: No operational implementation was needed since the changes were conforming or optional in nature. Minor administrative rules updates are required for Lemon Law re-hearings. Development of these rules is underway and will be proposed later in the year, possibly by April 2022.

Legislation Implementation Summary

Bill Number: House Bill 3533

Session: 87R

Bill Author: Representative Armando Martinez

Bill Sponsor: Senator Kel Seliger

Committees: House Transportation, Senate Transportation

Effective Date: September 1, 2021

Caption: Relating to the security requirement for the issuance or renewal of a motor vehicle dealer general distinguishing number or a wholesale motor vehicle auction general distinguishing number.

Summary: Items in this bill were recommendations made by the Board to improve consumer protections in instances when a dealer goes out of business. The amount of the surety bond required of independent motor vehicle dealers increased from \$25,000 to \$50,000. Also, to ensure customers are informed, dealers must post notice of the bond adjacent to where their dealer license is posted, and the department's website must include information on filing claims on the bond.

Implementation Status:

Programming to the eLICENSING system to replace "\$25,000" with "\$50,000" on the bond detail page of the GDN license record was completed September 2, 2021. Changes and additional language were added to the department's website as specifically required in the bill and updates have been made to various publications on the website such as the User Guide for Independent GDN Licenses and an update for the Dealers, Important Updates page, Sample MV Dealer Surety Bond. Notice of the new bond amount and the effective date was distributed to GDN holders Aug 10, 2021.

Minor updates to administrative rules required to conform bond requirements with statute are under development and are expected to be proposed in the coming months.

Legislation Implementation Summary

Bill Number: House Bill 4080

Session: 87R

Bill Author: Representative Jacey Jetton

Bill Sponsor: Senator Judith Zaffirini

Committees: House Transportation, Senate Transportation

Effective Date: September 1, 2021

Caption: Relating to issuance of autism awareness specialty license plates.

Summary: Requires the department to issue specialty license plates for autism awareness. A deposit is required to produce this plate. After deduction of the department's costs, the remainder of the license plate fee is deposited for use by the governor's trustee programs to make grants to an organization that promotes autism awareness.

Implementation Status: Fully implemented. Plates are available as of December 20, 2021.

Legislation Implementation Summary

Bill Number: House Bill 4472

Session: 87R

Bill Author: Representative Brooks Landgraf

Bill Sponsor: Sen. Brian Birdwell

Committees: House Environmental Regulation, Senate Natural Resources and Economic Development

Effective Date: September 1, 2021

Caption: Relating to the Texas emissions reduction plan fund and account.

Summary: The bill amends portions of Transportation Code governing vehicle titles and redirects the deposit of certain vehicle title fees from the Texas Mobility Fund (TMF) to the Texas Emissions Reduction Plan (TERP) fund. As part of the larger bill, this change results in transfers of like amounts from the State Highway Fund (SHF) to TMF as opposed to those amounts being transferred from the SHF to TERP as they were previously. The bill also provides for the possible future redirection of these funds after applicable air quality standards are attained.

Implementation Status: Necessary programming for the Registration and Title System (RTS) was completed on August 11, 2021 and released on August 27, 2021. Associated updates to the Title Manual (Chapter 3) were made available on October 15, 2021.

Legislation Implementation Summary

Bill Number: Senate Bill 791

Session: 87R

Bill Author: Senator Donna Campbell

Bill Sponsor: Representative Matt Schaefer

Committees: Senate Veteran Affairs & Border Security, House Defense & Veterans' Affairs

Effective Date: September 1, 2021

Caption: Relating to the issuance of specialty license plates to United States Navy submariners.

Summary: Requires the department to issue specialty license plates for persons who served on a submarine while in the United States Navy, including plates with the disabled veteran designation. These plates do not require a deposit to be paid to the department to begin production.

Implementation Status: Fully implemented. License plates are available as of December 20, 2021.

Legislation Implementation Summary

Bill Number: Senate Bill 792

Session: 87R

Bill Author: Senator Donna Campbell

Bill Sponsor: Rep. Philip Cortez

Committees: Senate Veteran Affairs and Border Security, House Defense and Veterans' Affairs

Effective Date: January 1, 2022

Caption: Relating to specialty license plates and parking placards for vehicles of certain disabled veterans.

Summary: Requires vehicles to display the International Symbol of Access (ISA) on a license plate or placard when using disabled parking and allows those eligible to receive Disabled Veteran (DV) plates to elect to have those plates also feature the ISA when the applicant meets eligibility requirements set by Texas Transportation Code 504.201 (e.g. mobility impairment). Previously, vehicles displaying DV plates did not also need to display the ISA to access disabled parking. Adoption of associated rules was also required.

Implementation Status: TxDMV adopted required administrative rules for these change prior to December 1, 2021 bill dead line. The bill was fully implemented as of January 1, 2022, with department updates to the Registration Manual (Chapter 3), Application for Disabled Veteran License Plates and/or Parking Placards (Form VTR-615), Application for Persons with Disabilities Parking Placard and/or License Plate (Form VTR 214), the Disabled Veteran Military Plate Guide and brochure, TxDMV.gov and associated programming for the Registration and Title System (RTS). Communications on these changes were initially released by TxDMV to county tax assessor-collectors, law enforcement and other stakeholders in August 2021 and repeated in December 2021, with follow-up media engagement and interviews during January 2022 to further support public education and awareness.

Legislation Implementation Summary

Bill Number: Senate Bill 795

Session: 87R

Bill Author: Senator Donna Campbell

Bill Sponsor: Rep. Brisco Cain

Committees: Senate Veteran Affairs and Border Security, House Defense and Veterans' Affairs

Effective Date: September 1, 2021

Caption: Relating to an exemption from the requirement that the title of a state agency be printed on state-owned motor vehicles.

Summary: Adds the Texas Military Department to a list of state agencies that can exempt themselves from the *inscription requirement*, whereby "Texas" and the name of the state agency must be displayed on the side of state-owned vehicles.

Implementation Status: Fully implemented as of September 1, 2021 with department updates to the Registration Manual (Chapter 6) and associated content on TxDMV.gov. County tax assessor-collectors and law enforcement have also been notified of the provisions of this bill.

Legislation Implementation Summary

Bill Number: Senate Bill 876

Session: 87R

Bill Author: Senator Kelly Hancock

Bill Sponsor: Rep. Ed Thompson

Committees: Senate Business and Commerce, House Transportation

Effective Date: March 1, 2022

Caption: Relating to the county in which a person may apply for the registration of and title for a motor vehicle.

Summary: Allows customers to apply for title or registration, including extended fleet registration, with any county tax assessor-collector who is willing to accept the application. The bill also eliminates a portion of code that required the department to develop and maintain a form or electronic process by which the purchaser can designate the county to which the dealer will submit application for title and registration; a dealer is no longer required to make the form or process available to the purchaser at the time of sale.

Implementation Status: In September 2021, the TxDMV Customer Service Advisory Committee met to discuss the implementation plan for SB 876 and consider the potential impact to stakeholders, programming enhancements, and functionality of the Registration and Title System. Associated administrative rules were published November 12, 2021, and the TxDMV Board will consider adoption of the proposed rules during the February 2022 meeting. Efforts to make associated updates to department systems, manuals, etc. are currently underway to implement the bill by the March 1, 2022 effective date.

Legislation Implementation Summary

Bill Number: Senate Bill 1064

Session: 87R

Bill Author: Senator Carol Alvarado

Bill Sponsor: Representative Mike Schofield

Committees: Senate Transportation, House Transportation

Effective Date: September 1, 2021

Caption: Relating to the extended registration of certain county fleet vehicles.

Summary: The bill allows a county with a population of at least 3.3 million to register the vehicles it owns and exclusively uses (now known as an “exempt county fleet”) for up to eight years at a time. At this time, the provisions would apply only to Harris County. Existing inspection requirements in statute continue to apply to an exempt county fleet, and TxDMV must adopt rules that include the suspension of registration for noncompliance with statute and rules and a method to enforce statutory inspection requirements.

Implementation Status: Implementation of this bill requires administrative rules and programming to department computer systems (primarily handled by a contract vendor) at a cost of up to \$250,000. Funding for the project was appropriated by the legislature and a contract solicitation for the work will be posted soon. TxDMV staff have met with Harris County fleet administrators about this implementation.

Legislation Implementation Summary

Bill Number: Senate Bill 1123

Session: 87R

Bill Author: Senator Charles Perry

Bill Sponsor: Representative Matt Krause

Committees: Senate Transportation, House Transportation

Effective Date: September 1, 2021

Caption: Relating to the issuance of Family First specialty license plates.

Summary: Requires the department to issue “Family First” specialty license plates. A deposit is required to produce this plate. After deduction of the department’s costs, the remainder of the license plate fee is deposited for use by the Texas Education Agency to make grants to the Family First nonprofit organization, promoting the importance of fatherhood.

Implementation Status: Fully implemented. License plates are available as of December 20, 2021.

Legislation Implementation Summary

Bill Number: Senate Bill 1814

Session: 87R

Bill Author: Senator Kel Seliger

Bill Sponsor: Representative Armando Martinez

Committees: Senate Transportation, House Transportation

Effective Date: September 1, 2021

Caption: Relating to oversize and overweight vehicle permits.

Summary: Items in this bill were recommendations made by the Board to improve processes for the permitting of oversize/overweight (OS/OW) vehicles. The bill cleaned-up wording of a section of code that was amended in two slightly different ways during a single session. Changes were made to OS/OW permit bond requirements, but the bonds remain a requirement for the weight tolerance and annual timber permits. This was different than the recommendation of the board to no longer require permit bonds. Notification requirements for OS/OW permits were amended to match the longstanding operational practice of listing permit information on the department's website and providing actual copies of permits only upon request.

Implementation Status:

The department updated Over Axle/Over Gross Weight Tolerance Bond and Timber Permit Bond forms and the Letter of Credit template in August 2021. Reference to Unified Carrier Registration from TxPROS was also removed the same month.

Minor updates to administrative rules are still required to conform with statute. Those rules are under development and estimated for proposal by April 2022.

Legislation Implementation Summary

Bill Number: Senate Bill 1815

Session: 87R

Bill Author: Senator Kel Seliger

Bill Sponsor: Representative Armando Martinez

Committees: Senate Transportation, House Transportation

Effective Date: September 1, 2021

Caption: Relating to motor vehicle size and weight limitations.

Summary: Items in this bill were recommendations made by the Board largely to conform vehicle size and weight standards with federal requirements to avoid the risk of loss of federal road funds or conflict with federal law. Specific changes increased idle reduction technology weight allowances, emergency vehicle weights, automobile transporter and towaway trailer transporter combination lengths, and limiting the annual overlength permit to only non-divisible loads. The bill also updated statute to conform to the operational practice of allowing both oversize/overweight equipment and loads under certain permits.

Implementation Status: The changes made by the bill did not require any active implementation by the department.

Legislation Implementation Summary

Bill Number: Senate Bill 1817

Session: 87R

Bill Author: Senator Kel Seliger

Bill Sponsor: Representative Armando Martinez

Committees: Senate Transportation, House Transportation

Effective Date: September 1, 2021

Caption: Relating to vehicle titles and registration.

Summary: Most items in this bill were recommendations made by the TxDMV Board to update statute regarding title disputes to align with longstanding practices. The bill requires that holds be placed on titles when the department is informed there is a legal action regarding ownership or a lien interest. In addition to the Board recommendations, the bill included a provision that counties cannot add additional requirements to a title or registration transaction connected with a vehicle storage facility, if the requirements are not included in general state law.

Implementation Status: Title manual updated in October 2021. Administrative rule revisions are required to fully implement the title hold provisions by clarifying the meaning of "legal action." Rule revision development is underway, with a proposal to the Board estimated for April 2022.



Committee Meeting Date: 2/9/2022
BRIEFING ITEM

To: Legislative & Public Affairs Committee, Texas Department of Motor Vehicles Board
From: Keith Yawn, Government & Strategic Communications Division Director
Agenda Item: 4.B
Subject: Briefing on 88th Regular Legislative Session Recommendations Development Schedule

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

Provide an overview of the proposed schedule to identify, develop, approve, and communicate Texas Department of Motor Vehicles (TxDMV) legislative recommendations for statutory change to be considered by the 88th Texas Legislature.

FINANCIAL IMPACT

No financial impact.

BACKGROUND AND DISCUSSION

The 88th Texas Legislature will begin deliberations in regular session on January 10, 2023. While it may seem early to begin considering the needs of the next legislative session, it can be challenging to coordinate the process appropriate to bring together various stakeholders to identify and develop the statutory needs of the agency in just under a year. TxDMV staff has prepared the following proposed schedule to facilitate this work and seek to ensure the final product is actionable and agreed to by all involved parties.

Beginning this month, the Government and Strategic Initiatives (GSC) Division will begin seeking the input of internal staff, TxDMV stakeholder communities, and the Board to identify statutory changes to benefit the efficiency or effectiveness of department programs and operations, as well as improvements that could enhance the department's responsiveness to customers, industry, and the public. Such changes could range from minor adjustments or clean-up of statutory language to ensure adherence to existing operations and compliance with other related statutes that may have been revised in recent years, to the addition of new authorizations for how TxDMV does business in the state of Texas to regulate motor industries.

As the identification process continues, GSC staff will work with program divisions and subject matter experts from around the agency, including the Office of the General Counsel, to review ideas and begin looking at draft language to implement the ideas. During this process, from February through May, staff will also prioritize pending ideas with direction from the Executive Directors Office. Depending on the specific recommendations considered, background materials developed as supporting documentation may include operational impact, financial analysis, and/or bill language drafts.

TxDmv staff plans to bring the priority items to the Legislative and Public Affairs Committee and the full Board in June for initial consideration and review. Using Board input and comments, staff will then refine the recommendations,

including any additional analysis or review requested, for final consideration and approval by the Board in August. The final stage, conducted during the fall and into January 2023, will be to educate legislative offices and stakeholders on the agency's statutory needs.



Committee Meeting Date: 2/9/2022
BRIEFING

To: Legislative & Public Affairs Committee, Texas Department of Motor Vehicles Board
From: Monique Johnston, Motor Vehicle Division Director
Agenda Item: 4.C
Subject: Briefing on Motor Vehicle Industry Regulation Advisory Committee (MVIRAC) - Fingerprinting Recommendation

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Provide background on MVIRAC's recommendation to fingerprint all independent GDN holders to help deter temporary tag fraud.

FINANCIAL IMPACT

None.

BACKGROUND AND DISCUSSION

At the December 16, 2021, meeting MVIRAC recommended that the department fingerprint all independent GDN holders.

Implementing this recommendation would allow the department to more effectively screen approximately 83% of license holders including non-franchised motor vehicle, motorcycle, towable travel trailers, and utility trailer and semitrailer dealers.

Fingerprinting offers a more comprehensive and accurate identity and criminal history search of the Department of Public Safety (DPS) and Federal Bureau of Investigation (FBI) databases.

Fingerprints would be collected through a DPS-authorized service that would require the individual to be present and show identification prior to having their fingerprints collected. The authorized service provider has a large national network of locations and can coordinate electronic and card-based fingerprinting services for persons in remote areas. Persons would pay the service provider directly for the fingerprinting service and the current cost is \$38.25 per person.

The department would also enroll in the FBI rap back service, so persons would be required to provide fingerprints only once if an associated license is approved and continues to be timely renewed.

The eLICENSING system's encryption level satisfies the DPS standard but must be modified to store related criminal history information. System development and testing are required before fingerprinting can be implemented or another database solution must be identified that meets DPS security requirements.



In addition to temporary tag abuse, the department is also concerned about other serious crimes such as human trafficking and illegal drug and gun distribution. MVD currently performs background checks for all owners, managers, directors, officers, members, or partners listed in each application for all license types. In the last 5 years, the only license type that has not required one or more applicant criminal history reviews is the Distributor license type.

This chart below summarizes the license holder impact for three different approaches to fingerprinting: 1) all license holders, 2) only license holders whose licenses allow eTAG access, and 3) only independent motor vehicle dealers.

All License Holders*	eTAG Access	% of Total	Independent Motor Vehicle Dealers	% of Total
21,938	20,189	92%	18,155	83%
License Types with <u>No</u> Applicant Criminal History: 1. Distributor (0.4% of total)	License Types <u>Not</u> Included: 1. Distributor 2. In-Transit Operator 3. Lease Facilitator 4. Lessor 5. Manufacturer 6. Salvage Dealer 7. Wholesale Motor Vehicle Auction Dealer		License Types <u>Not</u> Included: eTAG Access: 1. Converter 2. Franchised Dealer 3. Independent Mobility Motor Vehicle Dealer 4. Wholesale Dealer No eTAG Access: 5. Distributor 6. In-Transit Operator 7. Lease Facilitator 8. Lessor 9. Manufacturer 10. Salvage Dealer 11. Wholesale Motor Vehicle Auction Dealer	

* data as of 12/30/2021 and is the number of individual license holders; some hold multiple licenses.



Committee Meeting Date: 2/9/2022
BRIEFING

To: Legislative & Public Affairs Committee, Texas Department of Motor Vehicles Board
From: Brian Ge, Enforcement Division Interim Director
Agenda Item: 4.C
Subject: Motor Vehicle Industry Regulation Advisory Committee (MVIRAC) Premise Inspection Recommendation

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Provide background on MVIRAC's recommendation to conduct in-person onsite premise inspections for motor vehicle dealer applications.

FINANCIAL IMPACT

\$890,040 to \$1,568,880 per annum with \$275,000 to \$500,000 in one-time costs.

BACKGROUND AND DISCUSSION

At the December 16, 2021 meeting, MVIRAC recommended that the department conduct in-person onsite premise inspections of all non-franchised GDNs prior to them being issued a license. The purpose of these premise inspections is to ensure that all licensees and potential-licensees are operating at the location indicated on their application and that the location meets the minimum requirements for a car dealership.

To determine how many investigator resources we would need to accomplish this task, we started by looking at approved application data from FY21. Since we are talking about approved applications, that necessarily means denied applications are not captured in this data. The figures presented below are minimums of what may be needed for each of the three scenarios.

In FY21, MVD approved 3,947 new applications, 9,952 renewals, and 2,393 amendments. As these applications relate to locations across the state, investigators and vehicles need to be staged across the state.

If Enforcement were to conduct premise inspections for all **3,947 new applications**, we would need 14 investigators, 1 supervisor, 1 attorney, and 11 vehicles to handle the load. The salary requirements for the 14 investigators, 1 supervisor, and 1 attorney would be approximately \$890,040 per year. Assuming an average vehicle cost of \$25,000, the estimated cost of 11 vehicles is \$275,000.

If Enforcement were to conduct premise inspections for all **3,947 new applications and all 9,952 renewal applications**, we would need 20 investigators, 1 supervisor, 2 attorneys, and 13 vehicles to handle the load. The salary requirements for the 20 investigators, 1 supervisor, and 2 attorneys would be approximately \$1,290,480 per year. Assuming an average vehicle cost of \$25,000, the estimated cost of 13 vehicles is \$325,000.



If Enforcement were to conduct premise inspections for all **13,899 new and renewal applications, and all 2,393 amendments**, we would need 24 investigators, 2 supervisors, 2 attorneys, and 20 vehicles to handle the load. The salary requirements for the 24 investigators, 2 supervisors, and 2 attorneys would be approximately \$1,568,880 per year. Assuming an average vehicle cost of \$25,000, the estimated cost of 20 vehicles is \$500,000.

In total, the minimum fiscal impact of implementing this recommendation is between \$890,040 and \$1,568,880 in annual salary with one-time costs of between \$275,000 and \$500,000.



Committee Meeting Date: 2/9/2022
BRIEFING

To: Legislative & Public Affairs Committee, Texas Department of Motor Vehicles Board
From: Roland D. Luna, Sr., Vehicle Titles & Registration Division Director
Agenda Item: 4.D
Subject: Briefing on TxDMV Review of Potential Enhancements to Temporary Tags

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

Provide the Legislative and Public Affairs Committee of the Texas Department of Motor Vehicles with an overview of the research conducted and the development of enhancements related to temporary tags, and provide an overview of the American Association of Motor Vehicle Administrators (AAMVA) License Plate Standard (Best Practices Guide).

FINANCIAL IMPACT

No financial impact.

BACKGROUND AND DISCUSSION

Vehicle Titles and Registration (VTR) has been reviewing processes and conducting research to identify and develop enhancements, best practices, and strategies to improve temporary tags. An examination of the AAMVA Best Practice Guide has been conducted and TxDMV has implemented the majority of best practices related to temporary tags, and will fully implement all best practices once all provisions of HB 3927 are in place. In addition to best practices, the department will continue to identify methods to combat temporary tag fraud.

VTR is currently working closely with ITSD and the Motor Vehicle Division (MVD) to implement the max tag and system denial rules. VTR also conducted a review of the eTag system and identified a list of additional enhancements and safeguards that will be implemented. The level of effort and prioritization for these enhancements was also completed since they require IT programming and coordination.

VTR is also working with other states to determine and document best practices. VTR has identified several other states (New York, Ohio, Florida, Nebraska, North Carolina, Utah, and Nevada) and will meet with them over the next couple of weeks to evaluate their practices, procedures, and temporary tag systems. A summary of findings will be produced and provided for further coordination and implementation. Furthermore, VTR researched and analyzed tamper-evident products and services available from third party vendors that could possibly assist with eTag security. VTR is currently working with multiple vendors that offer products that may be useful in enhancing eTag security. Information from these companies will be compiled and discussed internally to determine the viability for implementation.

The TxDMV will continue to explore and evaluate any and all measures to improve and secure the eTag system.



American Association of
Motor Vehicle Administrators



License Plate Standard

EDITION 2

*Including Best Practices for
Managing Vanity and Specialty
License Plate Programs*

October 2020

VEHICLE AND LAW ENFORCEMENT STANDING COMMITTEES
LICENSE PLATE STANDARD WORKING GROUP

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Executive Summary

License plates quickly identify motor vehicles and vehicle registrant information and are most effective when they are designed to optimize legibility to the human eye as well as for license plate readers (LPRs). License plates serve one common purpose: to identify motor vehicles. The ability of motor vehicle agency (MVA) employees, police officers, and citizens to quickly and easily identify license plate numbers (consisting of alpha and/or numeric characters) is fundamental to accurate vehicle registration data creation, maintenance, and retrieval. The adoption of the standards within Chapters 1 to 5 streamlines the license plate retrieval processes within MVAs and improves the exchange of license plate data and information between jurisdictions. Alignment with these standards also supports highway safety and increases revenue collection, which are dependent on accurate license plate identification, such as toll collection, restricted lane access, and parking regulations. License plate recognition, by human eye and LPR, is critical to serving these purposes.

In addition, license plates play a central role in preventing and solving crimes. Every day across North America, crimes are prevented or solved through the identification of license plates. It is difficult to quantify the missed opportunities that occur to prevent or solve a crime because a license plate was misread by either the human eye or by LPR, but testing has documented that misreads occur. Adoption of the license plate standard contained in this document will minimize the risk of such misreads.

This standard was developed to support a jurisdiction's ability to produce license plates that enhance accurate license plate identification while not limiting a jurisdiction's flexibility for innovation and allowing for multiple license plate designs. It is designed for full-size license plates issued by jurisdictions; portions of it may not apply to smaller license plates typically issued to motorcycles and other similar vehicles.

AAMVA recommends jurisdictions involve law enforcement, tolling authorities, and other stakeholders they deem appropriate when developing new license plate designs.

Four new chapters have been established that do not appear in the original (2016) License Plate Standard. They are:

- Chapter Four, Temporary License Plates
- Chapter Five, Alternative Vehicle License Plate Displays
- Chapter Six, Best Practices for Managing Vanity License Plate Programs
- Chapter Seven, Best Practices for Managing Specialty License Plate Programs

It is recognized that with rapidly advancing technology, jurisdictions continue to explore alternatives to traditional license plate manufacture, design, and issuance. This document will be updated as needed to keep pace with emerging technologies, solutions, and best practices.

NOTE: Part One, the *License Plate Standard*, is in Chapters 1 to 5. Part Two, *Best Practices for Managing Vanity and Specialty License Plate Programs* are found in Chapters 6 and 7. Part Two is in the form of a *Best Practices Guide* wherein program *recommendations* are provided. All elements of the *Standard* should be utilized for jurisdictions to optimize license plate legibility and vehicle identification.

Chapters 1 to 5 of this document constitute the Standard. Chapters 1 to 3 of the Standard is broken into three main sections: Administrative, Design, and Manufacture with license plate design attributes addressed as follows:

Administrative	Design	Manufacture
<ul style="list-style-type: none"> <input type="checkbox"/> Display <input type="checkbox"/> Unique License Plate Numbers <input type="checkbox"/> Items Applied to License Plates <input type="checkbox"/> Replacement Cycle <input type="checkbox"/> Auditing and Accountability <input type="checkbox"/> License Plate Verification Program 	<ul style="list-style-type: none"> <input type="checkbox"/> Issuing Jurisdiction <input type="checkbox"/> Character Sizing and Placement <input type="checkbox"/> Fonts <input type="checkbox"/> Stacked Characters <input type="checkbox"/> License Plate Type Identifiers <input type="checkbox"/> Messaging <input type="checkbox"/> Special Characters <input type="checkbox"/> Spaces and Dashes <input type="checkbox"/> Graphics <input type="checkbox"/> Graphic Placement <input type="checkbox"/> Background 	<ul style="list-style-type: none"> <input type="checkbox"/> License Plate Dimensions and Bolt Holes <input type="checkbox"/> Manufacturing Process <input type="checkbox"/> Retro-reflectivity <input type="checkbox"/> Security Features

The above table can also be used as a “Summary Checklist” allowing jurisdictions to check on how they utilize the specifications in these chapters. Completing the checklist will give jurisdictions an immediate view of their level of alignment with this standard.

AAMVA License Plate Policies address areas not covered in this License Plate Standard.

See <https://www.aamva.org/aamva-policy-positions/>.

Part One

License Plate Standard

Chapter One Administrative

This section addresses administrative and policy aspects of license plates as well as elements of manufacture and design.

1.1 Display

License plates are displayed horizontally on the vehicle in the space designated by the vehicle manufacturer.

1.2 Unique License Plate Numbers

License plate numbers are unique to each vehicle within a jurisdiction and are not repeated unless first invalidated or purged from the jurisdiction's vehicle registration database (e.g., license plate number "ABC 123" should not be used on multiple license plates regardless of the license plate type).

1.3 Items Applied to License Plates

If decals are used to add a graphic to a license plate, such as a representation of veteran medals, other specialty license plate graphics, or expiration decals, the life expectancy of the decal is to be considered. If the decal becomes unreadable because of fading, damage, or degradation, the decal is replaced. Because decals may have a shorter life expectancy than license plates, information that is needed to identify the license plate is not to be displayed on the decal. A decal replacement cycle is adopted by the jurisdiction that is consistent with the life expectancy of the material used to manufacture the decal. Jurisdictions have in place a law or administrative rule prohibiting the display of any decal, other object, or material applied to the surface of a license plate unless it is issued by the jurisdiction.

1.4 Replacement Cycle

A license plate replacement cycle is adopted. Because license plates commonly lose significant reflectivity within 10 years, a required rolling or full replacement cycle not to exceed 10 years is recommended. Jurisdictions also have a process to replace damaged license plates as soon as practical.

1.5 Auditing and Accountability

Jurisdictions, contractors, and vendors follow established auditing and accountability standards.

To minimize risk of theft, counterfeiting, and fraud, materials used in the production of license plates are carefully controlled and properly stored and are produced in a secure environment. Quality control methods are used to ensure accountability over the production, storage, issuance, and disposal of license plates as well as consistency from one batch to another.

1.6 License Plate Verification Program

The AAMVA License Plate Verification Program (LPVP) allows jurisdictions to submit a limited number of license plates each year for analysis, by an independent laboratory, to see how a license plate compares to the AAMVA license plate standard. A written report is provided to the jurisdiction explaining whether the examined license plate aligns, or does not align, with each standard in this document. For more information on the LPVP, please visit <https://www.aamva.org/vehicle-registration-and-titling/>.

Chapter Two Design

License plate design has a significant impact on accurate license plate identification. This section provides specifications intended to optimize readability by the human eye and license plate reader (LPR) and connection to the correct vehicle record. These specifications also provide flexibility for innovation and allow for multiple license plate designs.

2.1 Issuing Jurisdiction

The name of the issuing jurisdiction is readable and appears in the top center location of the license plate. The full jurisdiction name is displayed to avoid confusion between jurisdictions with similar postal abbreviations.

Jurisdiction characters are no less than 0.75 inches and no more than 1 inch in height and width with 0.125 inches spacing and are at least 0.25 inches from the top edge of the license plate.

2.2 Character Sizing and Placement

Characters are at least 2.5 inches in height, proportionally wide, and spaced no less than 0.25 inches apart. Character stroke weight (thickness of lines) is between 0.2 and 0.4 inches. Characters are positioned on the license plate no less than 1.25 inches away from the top and bottom edges of the license plate.

2.3 Fonts

The font and spacing present each alphanumeric as a distinct and identifiable character. Standardized fonts and font sizes that clearly distinguish characters are

used. For example, similar characters such as A and R, 8 and B, or O and Q are easily distinguishable from each other.

2.4 Stacked Characters

If stacked characters are used, they are part of the official license plate number and appear before or after the other characters, not between them. No more than two characters are to be stacked, and license plates do not have more than one set of stacked characters. When one character appears above the other, the top character is entered first, immediately followed by the bottom character, in sequence, with the other characters on the license plate.

Each individual stacked character is displayed vertically, not staggered or slanted, and is 45% the size of the regular license plate characters with 10% vertical spacing between each character to ensure readability.

2.5 License Plate Type Identifiers

License plate type identifiers such as COMMERCIAL, APPORTIONED, TRAILER, or DEALER are placed on the bottom of the license plate between the bolt holes and do not interfere with the identification of the characters.

2.6 Messaging

When a name, phrase, motto, slogan, or other approved message is used, it is placed at the bottom of the license plate. The text is placed at least 0.25 inches below the license plate numbers.

2.7 Special Characters

When used, non-alphanumeric characters, such as ampersands and hashtags, found on a standard keyboard are considered part of the license plate number, are entered into the vehicle registration database, and are displayed on the license plate (see Standard 2.8, Spaces and Dashes).

Symbols that appear on the license plate that are *not* found on a standard keyboard, such as hearts, diamonds, or emojis, are considered graphics and are not considered part of the license plate number sequence nor is any representation of the symbol entered into the vehicle registration database.

2.8 Spaces and Dashes

If license plates include spaces or dashes, these spaces or dashes are not assigned a value. Dashes are treated the same as spaces in that they are not entered into the vehicle registration database (“ABC123,” “ABC 123,” and “ABC-123” are the same plate number).

2.9 Graphics

Graphics on license plates do not distort or interfere with the readability of the characters or any other identifying information on the license plate. If text is included within the graphic, a translucent ink or other technique is used to prevent the text from being read by LPR.

2.10 Graphic Placement

For license plates that contain a graphic, the graphic will either be on the right or left side of the license plate number. All graphics should be restricted to an area that will not interfere with meeting size requirements of the license plate number. Graphics can stretch from the edge of the license plate to within 0.25 inches from the closest character of the license plate number and to the top and bottom of the license plate.

2.11 Background

When used, a background image does not interfere with the ability to read the license plate number by the human eye and LPR.

Chapter Three **Manufacture**

This section provides key specifications in the manufacturing process necessary to produce license plates in a consistent manner that optimizes the readability, security, appearance, and performance of the license plate. This includes flat and embossed license plates.

3.1 License Plate Dimensions and Bolt Holes

License plate dimensions and bolt holes comply with the SAE, International – Motor Vehicle License Plates Standard J686 (revised July 2012).*

3.2 Manufacturing Process

The manufacturing process for license plates allows for high contrast recognition for infrared (IR) and visible light illumination in daylight and nighttime conditions.

* SAE International Standard J686 available (SAE charges a fee) at https://www.sae.org/standards/content/j686_201207

3.3 Retro-reflectivity

License plates contain a retro-reflective surface, and the license plate number is readable in both daylight and nighttime from distances of at least 75 feet. This provides illumination without distortion when viewed under headlights.

License plates contain a retro-reflective surface consistent with International Organization for Standardization ISO 7591:1982, clause 3.

3.4 Security Features

Security feature(s) are used. The specific security feature(s) chosen can be at the discretion of the issuing jurisdiction, but the chosen feature is difficult to duplicate, an integral part of the license plate, and does not interfere with license plate character legibility by the human eye and LPR. License plates contain at least one security feature that is identifiable by a visual or tactile inspection of the license plate.

Chapter Four Temporary License Plates

A temporary license plate is a nonpermanent license plate issued upon vehicle purchase for vehicle identification until the permanent license plate is issued and mounted on the vehicle.

It is important to note that, unless specifically noted, the license plate standards that precede this section also apply to temporary license plates.

4.1 Design

Although intended for short-duration use, temporary license plates should clearly identify the vehicle. Temporary license plate shape, size, and license plate number font match the basic permanent license plate providing visibility by LPR technology and the human eye.

The temporary license plate is most visible when placed outside of the vehicle with a white background and dark identification characters. This contrast allows for maximum visibility in all conditions and increases the likelihood a LPR will accurately read the license plate.

Unless specifically noted, the license plate standards that precede this section also apply to temporary license plates.

The temporary license plate is an all-weather material or protected as such, providing for protection from exposure to a variety of weather elements. This allows the license plate to maintain its integrity and readability through-out use. The duration of

validation may dictate the material used to protect the information and deter counterfeiting.

Minimum information displayed on a temporary license plate includes license plate number, jurisdiction name, expiration date, vehicle year, make, and Vehicle Identification Number (VIN). The temporary license plate number and jurisdiction name are displayed in the same location as on the basic permanent license plate. The license plate expiration date is the same font size as the jurisdiction name and spaced a sufficient distance from the license plate number to avoid confusion. Any additional information included on the temporary license plate does not interfere with the license plate number and readability as required.

The vehicle year, make, and VIN information is displayed on the outward facing, visible side of the license plate. This placement allows for validation that the temporary license plate is displayed on the correct vehicle. The vehicle year, make, and VIN characters on the temporary license plate are a smaller font—they need only be visible in close proximity viewing—to prevent interference with the other license plate information being read (see Appendix B [Rhode Island Exemplar]).

Security features deter alterations and counterfeiting. While the vehicle is in motion, it is difficult to determine if the temporary license plate is genuine, but a physical inspection of the license plate during a traffic stop, along with a query of the motor vehicle agency (MVA) database, helps an officer determine license plate validity.

The duration of validation may dictate the material used to protect the information and deter counterfeiting.

4.2 Display

The temporary license plate is attached to the vehicle in the same location and manner as the standard license plate. Any LPR or person looking for the license plate on a vehicle will focus on the standard display location, making it important to replicate this location. Window glare significantly impacts the ability to accurately read a temporary license plate attached to the inside of a vehicle window.

Proper exterior securement and attachment of the temporary license plate to the vehicle is important to avoid unintentional detachment (see Standard 3.1, License Plate Dimensions and Bolt Holes).

4.3 Administrative and Internal MVA Processes

Temporary license plates serve the same purpose as a permanent license plate—to quickly identify motor vehicles and vehicle registrant information. Temporary license plate data are available for inquiry upon issuance of the temporary license plate.

When a temporary license plate inquiry is made, the information returned is the same as a permanent license plate query, including the vehicle year, make, VIN, color, expiration date, owner name, and address. After a permanent license plate has been issued, the temporary license plate information remains available for inquiry for a period of time in case it is unlawfully displayed on another vehicle. This also provides valuable intelligence information for a criminal investigation. The temporary license plate issuance system references the permanent license plate number when issued.

Procedures are developed for use when the temporary license plate issuance system is unavailable at the time of vehicle sale and delivery. These procedures allow for the continued integrity of the temporary license plate issuance process while allowing the customer to take possession of the vehicle. These procedures address entering data into the temporary license plate issuance system when it becomes available.

When a customer is issued a temporary license plate, a temporary registration is also issued to be carried in the vehicle. The registration provides the vehicle year, make, VIN, seller and buyer information, and date of sale. Insurance information may also be contained on the registration. If a jurisdiction includes machine-readable technology, such as a bar code or QR code, on its standard registration receipt, then it is included on the temporary registration (see Appendix B [Rhode Island Exemplar]).

The temporary license plate number is unique and not repeated unless first invalidated or purged. The unique license plate number is not simultaneously used on another valid temporary or permanent license plate used within that jurisdiction (see Standard 1.2, Unique License Plate Numbers).

When a temporary license plate is issued for a sale or transfer of ownership, the selling dealer's report of sale to the MVA documents the transaction, begins the title and registration issuance process, and allows for permanent license plate issuance.

4.4 Fraud Prevention and Security of the Temporary License Plate Issuance Process

Temporary license plates are targets for criminal use as they traditionally have been easier to obtain and have been less controlled than permanent license plates. Temporary license plates may be passed among a variety of vehicles, making criminal activity more difficult to detect.

Temporary license plate data are entered into the MVA database immediately upon issuance and available for real-time inquiry. Any delay in temporary license plate information availability through MVA license plate inquiry leaves open the potential for fraudulent use and other criminal activity, along with the ability of the vehicle to incur tolls and other travel fees without detection.

Proper management and control of the temporary license plate issuance system protects it from fraud. Thorough audit processes and procedures aid in detecting anomalies and unusual temporary license plate issuances, which can then be investigated (see Standard 1.5, Auditing and Accountability). The

ability to void temporary license plates issued in error is restricted to properly trained and authorized MVA staff. The monitoring of this activity ensures it is conducted properly and avoids internal fraud. Material used to create temporary license plates is secured.

Repeated issuance of a temporary license plate to the same vehicle by the same selling dealer may indicate the vehicle is being used illegally for rental purposes or the selling dealer is not complying with vehicle sales laws and selling vehicles without proper ownership. Safeguards within the MVA issuance system are in place to restrict repeated issuance unless proper justification is provided.

Chapter Five Alternative Vehicle License Plate Displays

5.1 Introduction

This section addresses two recent nontraditional license plate technologies, digital license plates and front license plate wraps. These alternative vehicle license plates are intended to replace traditional metal license plates. Unless specifically noted otherwise, the license plate standards preceding this section apply to these new license plate technologies as well.

5.2 Alternative License Plates Addressed in this Standard

Digital License Plate

A digital display license plate is mounted on a vehicle and emits a wireless signal so real-time license plate information can be displayed. Digital license plates may be equipped with GPS technology that determines and stores vehicle navigation and location. Digital license plates may also be equipped with Radio Frequency Identification (RFID) technology, which uses radio waves to identify objects carrying encoded microchips.



License Plate Wrap

A license plate wrap is an adhesive license plate applied to a vehicle's bumper. Wraps, where currently authorized for purchase, are only allowed to be applied to the front of a vehicle.



Unless specifically noted otherwise, the license plate standards preceding this section apply to these new license plate technologies as well.

5.3 New Technology Benefits – Digital License Plates

There may be benefits to jurisdictions that adopt digital license plates. Some benefits may include:

- Potential revenue for the motor vehicle licensing agency (MVA) via a unique digital license plate fee
- Potential reduction in operating costs such as eliminating postage for mailing validation stickers (unless required on front or nondigital license plate)
- Display of real-time public safety information without interfering with the readability of the identifying characters of the license plate, such as:
 - Amber, Silver, or Blue alerts
 - Other emergency alerts
 - Real-time display of registration expiration
 - Stolen vehicle banner
- Real-time GPS tracking in appropriate situations (such as providing law enforcement real-time suspect vehicle location during an active Amber Alert)

- Retrieval of historical GPS location data in compliance with court order or search warrant
- Standardized or interoperable RFID capability could offer a more reliable and cost-effective transmission of vehicle and registrant identifying data than current LPR technology. For example, RFID provides potential for reducing governmental infrastructure cost by virtualizing tolling and public meter parking.

5.4 New Technology Challenges – Digital License Plates

The aforementioned benefits are to be weighed against new technology challenges, including:

- Implementation cost
 - Full implementation costs are not yet fully understood but need to be carefully considered.
 - Under the most common business model, registrants who choose a digital license plate pay most, if not all, of the license plate purchase and installation cost, as well as a monthly subscription fee.
 - A Texas DMV legislative fiscal note for SB 604 (Article 3), estimated a five-year implementation cost, including information technology programming and adding two new program specialists.*
 - A California DMV report titled “Vehicle Registration Alternative Products Pilot” does not identify additional program costs but provides other information jurisdictions may find valuable.†
- Digital license plates are reflective but not retro-reflective, creating challenges for law

* <https://www.capitol.state.tx.us/BillLookup/Text.aspx?LegSess=86R&Bill=SB604>

† <https://www.dmv.ca.gov/portal/uploads/2020/04/AlternativeRegistrationProducts.pdf>

enforcement, tolling authorities, and others that read license plates in all light conditions and rely on reader technology, which is currently programmed to read retro-reflective license plates.

- Vehicle information is transmitted between the digital license plate vendor and the digital license plate itself, creating a cybersecurity vulnerability.
- Special digital license plate messaging could create distracted driving or other public safety issues.

Digital license plate data collection and sharing raises privacy concerns for MVAs and consumers.

5.5 Standards Specific to Digital License Plates

The MVA issues a vehicle-specific participation letter on official MVA letterhead (or other official documentation), which is to be kept in the vehicle at all times. The documentation outlines the validity of the digital license plate to avoid unnecessary enforcement action by any law enforcement officer coming into contact with the vehicle who may be unfamiliar with digital license plates. Jurisdictions determine when such letters are no longer needed. Jurisdictions may eventually provide a digital license plate indicator in their vehicle registration databases.

The alphanumeric characters constituting the official license plate number and jurisdiction of issuance are displayed in the manner prescribed by the Standard, for example, meeting character size specifications whenever a vehicle is operated or located in an area where the jurisdiction’s vehicle laws are enforceable.

Personally identifiable information (PII) stored on the digital license plate is limited to that which is absolutely necessary. U.S. and Canadian laws and MVA policies, procedures, and vendor agreement(s) provide means to protect this information to ensure it

is not misused. Specifically, the following requirements are pursued:

- PII provided to the digital license plate manufacturer or provider is limited to what is absolutely necessary.
- Protection of PII is required by digital license plate manufacturers or providers. Digital license plate manufacturers or providers have a well-defined and demonstrable PII security plan in place that meets the PII security standards of the jurisdiction. The MVA can audit the vendor's PII security plan and processes at any time.
- Information retention complies with laws, rules, and policies of the jurisdiction.
- Applicable registrants are informed when their PII is released to manufacturers or providers.
- Manufacturers and providers tell users how their PII is protected.

An agreement between the jurisdiction MVA and the digital license plate provider prohibits MVA data from being disclosed or shared with any person or entity not duly authorized by the MVA or a court.

Digital license plates must be visible, either through self-illumination or an external license plate light. Digital license plate illumination should not create a distraction or hazard for other drivers, such as emitting an overly bright light during nighttime (dark) hours.

An audit process provides the ability to review the use, access, and dissemination of PII, looking for anomalies requiring investigative follow-up. Anyone with access to PII related to the digital license plate is made aware of policies and procedures (see Standard 1.5, Auditing and Accountability).

5.6 New Technology Benefits – License Plate Wraps

There may be benefits to jurisdiction that adopt license plate wraps. Some benefits may include:

- Conforms to different bumper shapes
- Eliminates the need to mount a license plate frame or drill holes into the front of a vehicle

5.7 New Technology Challenges – License Plate Wraps

- A curved, indented, or otherwise non-flat surface could render the wrap unreadable to LPRs or the human eye.
- License plate wrap durability is unknown and may require a replacement cycle different from the cycle recommended in the standard.
- If jurisdictions require a validation sticker on the front license plate, it is not known how well the sticker will apply to the wrap, and visibility of the validation sticker may be an issue.
- Incorrect application of the wrap by the consumer may make it unreadable.
- Incorrect application by the consumer may cause the wrap to fall out of compliance with a jurisdiction's license plate placement requirements.
- Depending on their frangibility and adhesive qualities, license plate wraps may be easy to remove and fraudulently placed on another vehicle; conversely, a wrap that is difficult to remove may pose challenges for vehicle ownership transfer.

5.8 Standards Specific to License Plate Wraps

Malleable self-adhesive license plates, after they have been applied, meet the existing standards of readability and reflectivity (conformation to vehicle or bumper shape does not interfere with readability of all identifying elements of the license plate).

5.9 Additional Resources

Best Practices Guide for Improving ALPR Effectiveness through Uniform License Plate Design and Manufacture (*revised October 2012*)

<https://www.aamva.org/best-practices-and-model-legislation>

(AAMVA anticipates this document being updated and republished by end of 2021.)

Part Two

Best Practices for Managing Vanity and Specialty License Plate Programs

Chapter Six Best Practices for Managing Vanity License Plate Programs

A **vanity license plate**, for the purposes of this document, is an official license plate issued to a vehicle owner with specifically requested characters, numbers, or letters being referred to as the license plate number. They may also be referred to as personalized license plates.

Upon receipt of the request, the license plate issuing MVA reviews the request to determine if the combination of non-alphanumeric characters, numbers, or letters is available. The review determines if the requested license plate number is unique, not currently issued to another registrant, and meets acceptable license plate criteria.

When administering a vanity license plate program, the jurisdiction should be neutral and consistent while recognizing that societal norms change over time. Jurisdictions should consult with their legal counsel and stay aware of emerging court decisions related to vanity and specialty license plates.

Occasionally, jurisdictions may decide to recall a license plate if after issuance it is determined to meet the unacceptable criteria. It is preferred jurisdictions deny the license plate before it is issued as opposed to recalling it later.

The process for determining if a requested license plate is acceptable can be complex. It is important the review process described below is established, consistent, well-documented, objective, understood by staff, and supported by the jurisdiction's decision-making body.

6.1 Authority

The authority and description of the vanity license plate program should be established by statute or rule, clearly defining:

- The application process
- That license plates must be unique and cannot be duplicated
- Unacceptable license plate criteria
- The authority to recall or cancel a license plate
- The length of time a license plate is not renewed before it can be issued to another registrant
- Application and renewal fees

6.2 Administration

Clear and concise policies and procedures should be developed to provide staff with specific instructions for applying the law or rule, for approving and denying license plates, and for denying license plates that may be unacceptable.

When administering a vanity license plate program, the jurisdiction should be neutral and consistent while recognizing that societal norms change over time. Jurisdictions should consult with their legal counsel and stay aware of emerging court decisions related to vanity and specialty license plates.

6.3 Examples of Unacceptable License Plate Numbers

Defined and documented criteria for unacceptable license plates may include:

- Profanity
- Derogatory reference to a group based on age, race, nationality, ethnicity, gender, or religion

- Reference to illegal substances or criminal acts
- Sexual terms, intimate body parts, and bodily functions or fluids
- Reference to acts of violence

The unacceptable criteria should be considered when read left to right, right to left, by mirror image, or aloud through phonetic spelling.

6.4 Application

An application form, either paper or electronic, is important for the administration of the vanity license plate program and assists with streamlining processes and providing information to the public and staff. An application form includes:

Registrant and Vehicle Information

- Registrant's name
- Mailing address
- E-mail address
- Phone or cell phone number
- Current license plate number and license plate type
- VIN

Application Process

- Instructions on how to submit an application
- Instructions for any additional documents required
- The website address to use to order the license plate online

License Plate Request Criteria

- List of license plate types available as vanity license plates
- Minimum and maximum number of characters allowed for each license plate type along with any other specific license plate type criteria

- Symbols allowed
- Number and position of blank spaces allowed
- Unacceptable license plate criteria

Plate Number

- Type and class of license plate requested
- Allow more than one choice if the first choice is not available
- A description of the meaning of the license plate number requested (optional)

General information to include:

- Application and renewal fees
- Indicate a license plate may be recalled or canceled if a complaint is received or there is other cause for reevaluation
- Explain refund policy

6.5 Online Process

Many jurisdictions provide an interactive website to allow registrants to search for potential license plates to determine availability.

- The website should indicate that although a license plate number appears available, the agency has final approval of each license plate.
- If payment is collected online but later the license plate is not approved, information on the status of the funds should be provided.

6.6 Review Committee

Jurisdictions should have or establish a committee to review requested license plates when staff is uncertain whether they meet acceptable criteria. The review committee should:

- Be a diverse group of individuals.

- Understand the unacceptable license plate criteria, the history of license plates that have been approved and denied in the past, and the common combinations of letters and numbers that are unacceptable as established by the Jurisdiction's policy.

Reference materials such as an “urban dictionary” and other search engines can assist in defining the meaning of a requested license plate number.

6.7 License Plate Denial

A license plate denial should be in writing to the requestor. If a license plate request is denied, the applicant should be provided the opportunity to submit another request or appeal the decision.

6.8 Appeal Process

An appeal process provides the applicant with an opportunity to have the application denial reconsidered. The applicant should be required to submit notice of appeal in writing to the designated agency within a specified period of time after the license plate is denied.

When an appeal is received, the license plate request should be reviewed a second time by the review committee. The jurisdiction should include the general counsel and/or agency administrator in this

level of review. If the license plate is still denied, the review committee should also consider providing an opportunity for the registrant to request a formal hearing under the agency's hearing process.

6.9 Complaints

Occasionally, a member of the public will contact the license plate issuing agency to complain about a vanity license plate. The complaint should be in writing and include the basis for the complaint as well as the individual's name and contact information. Complaints should be submitted to the review committee for consideration. The complainant should be informed, in writing, of the committee's decision.

6.10 Recall or Cancellation Process

A vanity license plate recall or cancellation notice should be sent to the registrant in writing and should provide the registrant with an opportunity to apply for another license plate, request a refund, or request an appeal within an allotted timeframe. The registrant should also be informed that if the agency doesn't receive a response, the license plate will be cancelled, suspended, or revoked and will be replaced by a standard license plate. They should be instructed to either return the license plate or to keep the license plate without displaying it. The notice should include information on the jurisdiction's refund policy if applicable.

Chapter Seven Best Practices for Managing Specialty License Plate Programs

A **specialty license plate**, for purposes of this document, is an official license plate designated as promoting a specific cause or recognizing a specific group. Specialty license plates are popular as a mechanism for sponsoring organizations, to promote awareness, or to raise funds. Additional fees may be collected when the license plate is issued and subsequently each year upon registration renewal. Specialty license plates are popular with the public because they are able to choose a license plate design they want to display on their vehicle, and it may provide them with a convenient opportunity to financially assist a cause they support.

License plates issued to government personnel or agencies are not considered specialty license plates for purposes of this document.

Some specialty license plates are issued to recognize a specific group. In most cases, there are requirements to qualify for the license plate. There may or may not be additional fees; qualifying for some license plates may exempt the individual from certain taxes or fees.

Although specialty license plates are popular, there are challenges with license plate designs and program administration. Often the license plate sponsor provides artwork for a license plate design that emphasizes the organization and cause, causing the traditional identifying features of a license plate to become secondary. Jurisdictions should work with these organizations to redesign the license plate to ensure the identifying characters and features on the license plate are clearly visible to the human eye and LPR. A well-designed specialty license plate will increase accurate identification. The design

should not interfere with license plate identification characteristics such as the name of the jurisdiction, license plate number, license plate type indicators, and expiration date.

It is important that a jurisdiction's specialty license plate program be consistent and well documented, understood by staff, and supported by the jurisdiction's decision-making body.

7.1 Authority

The authority and description of specialty license plate programs should be established by statute or rule. A well-defined program will ensure the issuing agency, legislative body, executive officials, and sponsoring organizations have a clear understanding of requirements. It is recommended the following be addressed statutorily or by rule as appropriate for the jurisdiction:

- Criteria to qualify as a sponsoring organization
- Identification of the authority responsible for reviewing and approving the specialty license plate designs
- Issuance and renewal fees
- Fee allocation if the fees are shared between the issuing agency and the sponsoring organization
- Funds to be provided for the initial production of the license plates and the administration of the program
- Minimum number of license plates to be preordered prior to license plate production

7.2 Administration

When administering a specialty license plate program, the jurisdiction should be neutral and consistent. Jurisdictions should consult with their legal counsel and stay aware of court decisions related to vanity and specialty license plates.

7.3 Specialty License Plate Sponsor

Developing partnerships with sponsoring organizations benefits the issuing MVA. The agency should consider the following:

- Execute a contract or agreement with each sponsor outlining expectations and restrictions and describing how and why a license plate may be discontinued (see example in Appendix E).
- Require each sponsor to develop and submit a marketing plan.

7.4 Production Method

Jurisdictions may either have an on-demand or mass-production (inventory) method of producing license plates. Some jurisdictions use a combination of these two production methods. Jurisdictions that have the capability to also produce specialty license plates on-demand have more flexibility to produce small quantities of license plates. Jurisdictions using a mass-production method face challenges and may prefer to produce and distribute small quantities of license plates due to costs, resource demands, or storage space limitations. For these reasons, some jurisdictions require a minimum presale of license plates prior to producing a new design.

The license plate issuing agency should consider the following when establishing a new specialty license plate:

- How the license plates will be produced, whether on demand as each license plate is ordered or through mass production

- Inventory management, meaning where the license plates will be stored and how they will be secured
- Distribution points; the number of distribution points is a factor to determine the number of license plates that need to be produced
- Whether presale of license plates is required to obtain funding to produce license plates

7.5 Presales of License Plates

If a certain number of license plates must be presold before the agency will begin to produce the license plate, the jurisdiction should develop a plan to determine:

- The requisite minimum number of license plates to be sold prior to production
- Whether presale funds will be used for license plate material and production
- If other funding is also required for the initial license plate production
- The time frame allowed for reaching the minimum number of presales
- Whether extensions will be granted if the minimum sales are not reached in the time frame established
- How to return presale deposits if the minimum license plate sales are not met

7.6 License Plate Sponsor Request or Application

It is important for the license plate sponsor to submit a request or an application to begin the administrative process for establishing a new license plate. It is recommended the request or application form contain the following information:

Sponsoring Organization

- Name and mailing address of sponsoring organization

- Organization’s website address
- Primary contact’s name, telephone number, and e-mail address

Include an explanation of the following that may apply:

- Instructions on how to submit a request or an application
- Instructions for any additional documents required
- Preorder process and required fees
- License plate design approval process
- License plate design criteria and template
- Collection and distribution of fees that will raise funds for the organization
- Number of active license plates that must be maintained
- Length of time the license plates will be made available
 - Agency approval of advertising to ensure accuracy
 - Advertising guidelines and restrictions for the sponsoring organization

This information should also be available on the issuing agency’s website.

7.7 Design Approval

It is recommended that jurisdictions make their specialty license plate design criteria available to the sponsoring organization (see Appendix D). Chapter Two of the AAMVA License Plate Standard provides guidance for a jurisdiction’s design criteria. Jurisdictions should develop a license plate design template for sponsors.

When administering a specialty license plate program, the jurisdiction should be neutral and consistent. Jurisdictions should consult with their legal counsel and stay aware of court decisions related to vanity and specialty license plates.

Prior to approving a specialty license plate design, it is recommended the jurisdiction:

- Consult with law enforcement officials, toll authorities, and parking control authorities to identify concerns or difficulties reading the license plate identifying features by human eye or LPR.
- Utilize existing software and other testing methods to identify LPR readability before and after license plate manufacture.
- Consult with the license plate production or license plate manufacturer to identify concerns with the license plate design.
- Determine if the license plate design meets the AAMVA License Plate Standard.
- Test the design with LPR readers to determine license plate readability.
- Consider an executed third-party logo agreement for the intellectual property in the plate design (graphic, logo, motto, artwork, etc.).

If any concerns are identified, the issuing agency should require the sponsor to make adjustments to the design before approving it.

7.8 Communication Plan

After a license plate is approved and production is scheduled, notifications should be sent to staff and issuing agents with processing instructions. Law enforcement agencies, toll authorities, parking control

entities, and other interested stakeholders should also be notified. Notification to stakeholders should include the following as applicable:

- The numbering sequence
- A picture of the license plate
- Any weight restrictions
- License plate type or identifier
- Effective date

The agency should also ensure the general public is aware of the license plate sponsor, the design, any additional fees, when additional fees are charged, and how the fees are shared. The issuing agency may want to issue a press release and consider holding a joint press conference with the license plate sponsor.

7.9 Discontinuance of Specialty License Plates

Some jurisdictions have authority to discontinue specialty license plates if a minimum number of license plates do not remain active over a given period of time. Some jurisdictional laws automatically sunset a license plate after a specific number of years. The

discontinuance process may be initiated by the issuing agency or by the sponsoring organization.

If a license plate is going to be discontinued, the issuing agency should undertake the following:

- Determine how to discontinue the license plates; all license plates with a particular design may be replaced at one time, or individual license plates may be replaced upon renewal, replaced if lost, stolen, or damaged, or replaced in accordance with the jurisdiction's replacement cycle.
- Determine the timeframe within which the discontinuance should be completed.
- Determine if the current inventory will be exhausted or if the sponsoring organization will be required to buy-out the remaining inventory.
- Develop a communication plan that includes notification to staff, the license plate producer or manufacturer, law enforcement agencies, other interested stakeholders, and the general public.
- Send direct notification to each registrant.
- Update the agency's website, systems, and applications.

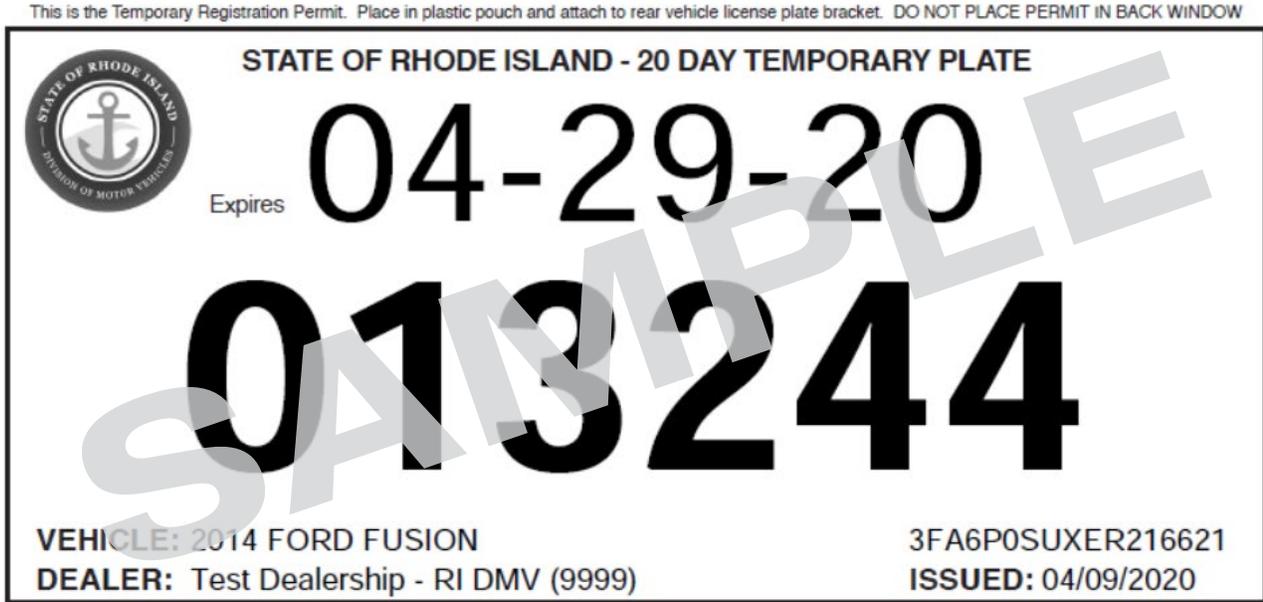
Appendix A Definitions

The following is an explanation of terminology used in this document. AAMVA is not necessarily recommending that jurisdictions adopt these terms for use in their statutes or administrative rules; they are provided to help readers understand their use in this document.

American Association of Motor Vehicle Administrators (AAMVA)	A nonprofit organization developing model programs in motor vehicle administration, law enforcement, and highway safety. AAMVA represents the state and provincial officials in the United States and Canada who administer and enforce motor vehicle laws. www.aamva.org
Background	A color, scene, or design element behind the license plate number.
Character	The single alphanumeric unit that, by itself or in combination with others, makes up the license plate number.
Digital license plate	A digital license plate is mounted on a vehicle and emits a wireless signal so real time information can be displayed. Digital license plates may be equipped with Radio Frequency Identifier (RFID), which uses radio waves to identify objects carrying encoded microchips.
Graphic	A design element, such as a logo or other representation, appearing on a license plate.
Jurisdiction	A state, district, province, or territory.
License plate number	The official alphanumeric character or combination of allowable characters appearing on the vehicle registration assigned to a vehicle and embossed or printed on a license plate.
License plate reader (LPR)	License plate recognition technology used by law enforcement, toll authorities, and other governmental entities. These devices use infrared illumination to capture license plate images and transform the image of the license plate into alphanumeric characters to compare against vehicle registration databases.

License plate wrap	An adhesive license plate applied to a vehicle's bumper. Wraps, where currently authorized for purchase, are only allowed to be applied to the front of a vehicle.
Manufacturing process	The application of dye, ink, paint, or film applied to the license plate or embossed characters on the license plate.
Opaque	An ink, pigment, or film that prevents transmission of light from a license plate's reflective material. The degree of opacity (100% opaque to 0% opaque) of an ink, pigment, or film may vary depending on the material used to make the ink, pigment, or film as well as the wavelength of the light source illuminating the license plate.
Retro-reflective	A surface that reflects light back to its source with a minimum scattering of light.
Security features	Holographic designs and other markings intended to identify authentic license plates and deter counterfeiting.
Specialty license plate	An official license plate designated to promote a specific cause or recognize a specific group.
Vanity license plate	An official license plate issued to a vehicle owner with specifically requested characters, numbers, or letters.
Vehicle registration database	An electronic repository of information identifying vehicles currently or previously registered in that jurisdiction.

Appendix B Temporary License Plate and Temporary Registration Exemplars: Rhode Island



State of Rhode Island
DIVISION OF MOTOR VEHICLES
Temporary Vehicle Registration

Temporary plate #013244
Issued: April 9, 2020 3:29 PM
Expires: April 29, 2020

Dealer

Test Dealership - RI DMV (9999)

Vehicle

2014 FORD FUSION
VIN: 3FA6P0SUXER216621

Owner information

JOHN DOE
12 MAIN STREET, APT. 2, PROVIDENCE, RI 02908

Insurance information

ACME AUTO 1234-000000 - Valid 03/06/2020 through 03/06/2022

The above described vehicle to which this temporary plate has been attached may be operated by the purchaser for a period not to exceed 20 consecutive days from the date of purchase.

AFFIDAVIT OF COMPLIANCE FOR INSURANCE OR OTHER FINANCIAL RESPONSIBILITY

The holder of the 20 Day Temporary Plate (hereinafter referred to as "applicant" swears that, in compliance with Title 31, Chapter 47 of the General Laws, Motor and Other Vehicles, known as the Motor Vehicle Repairs Act, he/she will not operate or allow to be operated the motor vehicle described in this registration nor any other motor vehicle unless all such motor vehicles are covered for financial security.

Because of a concern over the rising toll of motor vehicle accidents and the suffering and loss thereby inflicted, the legislature determined that it is a matter of grave concern that motorists shall be financially able to respond in damages for the negligent acts so that innocent victims of the motor vehicle accidents may be recompensed for the injury and financial loss inflicted upon them. The aforementioned act was passed to address such concern.

The Act requires every natural person, firm, partnership, association or corporation registering a vehicle or renewing the registration of a vehicle to aver that he/she will provide financial security on same.

The obligation will be met by maintaining a policy of liability insurance with bodily injury limits of \$25,000 to any one person and \$50,000 to two or more persons in any one accident along with a limit of \$25,000 for injury to or destruction of property of others in any one accident of a combined bodily injury and property damage liability limit of \$75,000; OR by filing with the assistant director for motor vehicles in the Department of Administration, a financial security bond in the amount of \$75,000; OR by qualifying as a self insurer.

Penalties for failure to comply with the provisions of the Act may result in fines and/or suspension of your license and registration.

The existence of this Act and its requirements does not prevent the possibility that the applicant may be involved in an accident with an owner or operator of a motor vehicle who is without financial responsibility.

Appendix C Sample Handout (for sponsors): Specialty License Plate Specifications (Synopsis of AAMVA License Plate Standard Information)

License plates quickly identify motor vehicles and vehicle registrant information and are most effective when they are designed to optimize legibility to the human eye as well as for automated license plate readers (LPRs). The ability for motor vehicle agency employees, police officers, and citizens to quickly and easily identify license plate numbers (consisting of alpha and/or numeric characters) is fundamental to accurate vehicle registration data creation, maintenance, and retrieval. The following specifications are provided to specialty license plate sponsors to assist with the initial design of a new license plate.

- License Plates are 12 inches by 6 inches.
- The license plate rim is $\frac{1}{4}$ inch wide.
- Bolt holes are $2\frac{1}{2}$ inches from the side of the license plate and $\frac{1}{2}$ inch from the top and bottom of the rim of the license plate.
- Graphics must not distort or interfere with the name of the jurisdiction, the license plate number, or any other identifying feature on the license plate.
- Graphics may be either to the left or right of the of the license plate number. Graphics can stretch from the edge of the license plate to within 0.25 inches from the closest character of the license plate number.
- Graphics must not be behind the license plate number.
- A single color may be used behind the license plate number, but there must be a contrast between the license plate number and background color.
- If symbols appear on the license plate that are *not* found on a standard keyboard, such as hearts, diamonds, or emojis, they are considered a graphic and are not considered part of the license plate number sequence nor is any representation of the symbol entered into the vehicle registration database.
- If text is included within the graphic, a translucent ink or other technique is used to prevent it from being read by LPR.
- The sponsor's slogan may be across the bottom of the license plate, must be in a single color, and at least 0.25 inches below the license plate number as not to interfere with the bottom of each character in the license plate number.
- The name of the jurisdiction must be on the top of the license plate, centered between the bolt holes, 1 inch down from the rim of the license plate and 1 inch wide.

Appendix D Example of a Specialty License Plate Agreement

This Agreement made effective this X day of X month, 20XX.

BETWEEN:

ORGANIZATION

(called “The ORGANIZATION”)

- and -

NAME OF JURISDICTION

(called “XXX”)

BACKGROUND

- (a) XXX is responsible for issuing License Plates in the Jurisdiction;
- (b) XXX administers the Specialty License Plate Program which allows for organizations to participate in the issuance of a License Plate series displaying organizations’ logos, graphics, slogans or other identifiable intellectual property;
- (c) THE ORGANIZATION is the owner and has the right to license for commercial purposes certain names, nicknames, slogans, symbols, logos, emblems, insignia, graphics, colors, marks or other indicia that may be imprinted as a graphic onto a License Plate, including the Intellectual Property as defined in this Agreement;
- (d) THE ORGANIZATION has had discussions with XXX and has agreed to participate in the Specialty License Plate Program;
- (e) With the assistance of THE ORGANIZATION, XXX will be responsible for implementing the Specialty License Plate Program whereby XXX will offer for sale a Specialty License Plate which incorporates the Intellectual Property into its design; and

- (f) THE ORGANIZATION wishes to grant a License to XXX, and XXX wishes to receive a license from THE ORGANIZATION, to use the Intellectual Property for the purposes of carrying out the above-mentioned program, on the terms and conditions as further set out below.

NOW THEREFORE, in consideration of the foregoing recitals, and the mutual promises, terms, conditions, and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the XXX and THE ORGANIZATION agree as follows:

DEFINITIONS

1. In this Agreement:
 - (a) “Agreement” means this document including Schedule “A”;
 - (b) “Business Day” means 8:15 am to 4:30 pm in Jurisdiction X from Monday through Friday excluding holidays observed by Jurisdiction X;
 - (c) “Logo” means the design as shown in Schedule “A” and its related designs, slogans, and expressions, including the “Respect for Animals” phrase;
 - (d) “Effective Date” means the date first above written;
 - (e) “Intellectual Property” means certain names, nicknames, slogans, symbols, logos, emblems, insignia, graphics, colors, marks, phrases, or other indicia that may be imprinted as a graphic onto a License Plate including the graphic designs which are set out in Schedule “A”;

- (f) “License Plate” means a number plate, which is the property of XXX and for which XXX has the right to manufacture, issue, authorize, provide and restrict the use thereof under *The Traffic Safety Act* S.S. 2004, c. T-18.1, as amended from time to time;
- (g) “Specialty License Plate” means a License Plate that incorporates into its design the Intellectual Property and that displays a series of letters or a combination of letters and numbers which have been selected by XXX and that may be issued to the public for use on a class or classes of motor vehicles as determined by XXX.

LICENSE

2. THE ORGANIZATION hereby grants to XXX a non-exclusive, non-transferable License in perpetuity to use and incorporate the Intellectual Property into the design of a Specialty License Plate, and to manufacture, distribute, and promote such Specialty License Plates commencing on the Effective Date of this Agreement.
3. Schedule “A” sets out the design of the Specialty License Plate which may be sold by XXX after the Effective Date of this Agreement. THE ORGANIZATION hereby acknowledges that the Intellectual Property of THE ORGANIZATION is incorporated into the design of the Specialty License Plate.
4. Notwithstanding any amendment or change to the Schedules to this Agreement, or any change made to the design of the Specialty License Plates in the future, THE ORGANIZATION acknowledges and accepts that any person, company, partnership, organization agency or group who purchased and obtained Specialty License Plates, whether or not registered for use upon motor vehicles, may continue to use and display such

Specialty License Plates for as long as permitted by law and by XXX.

5. THE ORGANIZATION accepts and acknowledges that the Specialty License Plate may be sold and issued by XXX’s employees, agents and other representatives on behalf of XXX.

OWNERSHIP AND USE OF INTELLECTUAL PROPERTY

6. For greater certainty, nothing in this Agreement requires XXX to use the Intellectual Property or to sell and issue Specialty License Plates which incorporate the Intellectual Property. XXX, either directly or through its agents, may sell and issue the Specialty License Plates and collect the applicable sale proceeds.

LICENSE PLATES ARE PROPERTY OF XXX

7. Notwithstanding any other provisions in this Agreement, all License Plates, including Specialty License Plates, are the property of XXX. This Agreement is not a sale of any or all of XXX’s right, title or interest in License Plates of any kind whatsoever. While THE ORGANIZATION can encourage sales of the License Plates, THE ORGANIZATION cannot give, issue or provide the License Plates to any person, company, partnership, organization, agency or group without the express written consent of XXX.

XXX’S SOLE AUTHORITY TO APPROVE SPECIALTY LICENSE PLATES

8. THE ORGANIZATION acknowledges and agrees that the combination of letters and numbers appearing on Specialty License Plates are not subject to any approval of THE ORGANIZATION whatsoever at any time and that XXX has the sole unfettered subjective discretion to approve or reject any such combination of letters and numbers without incurring any liability to THE ORGANIZATION whatsoever.

NO OBLIGATION TO RECALL SPECIALTY LICENSE PLATES

9. THE ORGANIZATION acknowledges and agrees that XXX is under no obligation whatsoever to THE ORGANIZATION at any time to recall, revoke, or otherwise replace a Specialty License Plate that has been sold.

SPECIALTY LICENSE PLATE REVENUE AND ROYALTY AMOUNT

10. Upon XXX's approval of the sample plate, THE ORGANIZATION shall pay to XXX a non-refundable setup fee of X.
11. Before the sale of any Specialty License Plate, THE ORGANIZATION shall pay to XXX a refundable application fee of X. This refundable application fee represents THE ORGANIZATION's guarantee that a minimum of X of the Specialty License Plates will be purchased from XXX by XXX customers within the first twelve (12) months that the Specialty License Plate is offered for sale by XXX. If sales of the Specialty License Plates reach a minimum of five hundred X license plates sold in the first twelve (12) months the plate is offered by XXX, XXX will return the application fee to THE ORGANIZATION within thirty (30) days after the elapse of the first twelve (12) months. If sales of the Specialty License Plates do not reach a minimum of X License plates sold in the first twelve months the plate is offered by XXX, XXX reserves the right to retain the entirety of the refundable application fee paid by THE ORGANIZATION.
12. Notwithstanding any other provision in this Agreement, the Organization understands that if a minimum order quantity of one hundred (100) Specialty License Plates is not reached in the twelve (12) month period following the initial twelve (12) month period that the Specialty License Plate is offered for sale, and each year thereafter that XXX elects to offer the Specialty

License Plate for sale, then XXX may elect to no longer offer the Specialty License Plate for sale.

13. After remittance of the amount collected, XXX shall retain \$xx of the \$xx collected for each Specialty License Plate sold, and the remaining \$xx from the sale of each Specialty License Plate (hereinafter the "Royalty Amount") shall be forwarded to THE ORGANIZATION. The Royalty Amount paid to the THE ORGANIZATION is derived solely from the specialty plate fee paid by the customer for their initial acquisition of the Specialty License Plate. The Royalty Amount shall not include any other administration fees charged to customers by XXX related to this program or the licensing and registration of Jurisdiction X vehicle and drivers in general including, without limitation, fees associated with the cost for a duplicate or replacement License plate or the fees associated with a personalized License plate. Without limiting the foregoing, XXX shall have the right to set-off monies due to THE ORGANIZATION by XXX against any amounts due and owing XXX by THE ORGANIZATION.
14. XXX will pay the Royalty Amount referenced in clause 13, above, to THE ORGANIZATION periodically as the Specialty License Plates are sold. At minimum, payment will be made by XXX to THE ORGANIZATION every six months.

DESIGN CHANGES TO SPECIALTY LICENSE PLATE

15. THE ORGANIZATION may request design changes to amend Schedule "A" and thus change the design of the Specialty License Plate, provided THE ORGANIZATION shall be responsible for paying the costs incurred by XXX in processing the design change, and XXX consents to the requested change. Such consent is in the unfettered discretion of XXX. Notwithstanding the foregoing, XXX in its unfettered discretion will determine what combination of letters and

numbers will be used in relation to the amended Specialty License Plate.

PUBLICITY REGARDING THE SPECIALTY LICENSE PLATE OFFERING

16. THE ORGANIZATION agrees that any advertisement of the Specialty License Plate, including all printed advertising material, television, radio, or internet advertising, must receive prior written approval by XXX. Such permission will not be unreasonably withheld.
17. Any other promotion (e.g. website content, social media posts) must not portray XXX as endorsing this Specialty License Plate.

REVIEW OF PROGRAM

18. On an annual basis, on or before X of each calendar year, XXX shall conduct a review of the Specialty License Plate program contemplated under this Agreement to determine whether the volume of sales of the Specialty License Plates warrants the continuation of the Specialty License Plate program.
19. As part of the review contemplated in clause 18, above, XXX shall provide THE ORGANIZATION with a report as to how many Specialty License Plates have been sold to date, and the amount of any remaining inventory of Specialty License Plates, if applicable.

TERM AND TERMINATION

20. The term of this Agreement shall commence on the Effective Date and shall continue until X, unless terminated or extended in accordance with the terms and conditions of this Agreement.
21. THE ORGANIZATION may terminate this Agreement immediately upon written notice to XXX in the event of default by XXX in the performance of any term or condition of this Agreement, and failure by XXX to remedy such default within forty-five (45) days after its receipt

of written notice of such default from THE ORGANIZATION.

22. XXX may terminate this Agreement in accordance with the terms set out in a written notice delivered to THE ORGANIZATION in the event of default by THE ORGANIZATION in the performance of any term or condition of this Agreement, and failure by THE ORGANIZATION to remedy such default within forty-five (45) days after its receipt of written notice of such default from XXX.
23. Either party may terminate this Agreement by providing forty-five (45) Business Days written notice, if either party is of the opinion, in its sole discretion that continuing the Specialty License Plate program would be unfeasible or otherwise undesirable.
24. At the date of the expiration or of the termination of this Agreement by THE ORGANIZATION, XXX may destroy all remaining supply of Specialty License Plates manufactured prior to the expiration termination of this Agreement, in which case THE ORGANIZATION shall reimburse XXX for all reasonable costs incurred in the manufacture and destruction of such Specialty License Plates.
25. XXX shall cease the manufacture, sale or issuance of the Specialty License Plate which incorporate the Intellectual Property in their design after the date of the expiration or termination of this Agreement.

DEFAULT

26. In the event of default of any of the terms and conditions in this Agreement by THE ORGANIZATION, whether by omission or commission, or if an event of default under clause 27 occurs, XXX shall have the right, effective immediately without notice, to terminate this Agreement. Upon such termination, all rights

and privileges of THE ORGANIZATION under the Agreement shall terminate. In addition, XXX reserves the right to pursue any other legal remedy available to XXX.

EVENTS OF DEFAULT

27. Events of default include, but are not limited to the following:
- (a) THE ORGANIZATION becomes bankrupt or insolvent, goes into receivership, or takes the benefit of any statute from time to time in force relating to bankrupt or insolvent debtors;
 - (b) an order is made or resolution passed for the winding up of THE ORGANIZATION or THE ORGANIZATION is dissolved;
 - (c) THE ORGANIZATION ceases to operate or carry on business in the normal course;
 - (d) THE ORGANIZATION has submitted false or misleading information to XXX or makes a false representation in this Agreement;
 - (e) THE ORGANIZATION breaches or fails to comply with a term or condition of this Agreement, or
 - (f) XXX determines that contractual association with THE ORGANIZATION is inconsistent with the reputation of, or public confidence in XXX.

ONGOING USE OF SPECIALTY LICENSE PLATES AFTER TERMINATION

28. For greater certainty, nothing prohibits any person, company, partnership, organization, agency or group who purchased Specialty License Plates prior to any termination of this Agreement, from continuing to use and display these Specialty License Plates on their vehicles or elsewhere for as long as may be permitted by law and by XXX.

REPRESENTATIONS AND WARRANTIES

29. THE ORGANIZATION represents and warrants to XXX that:
- (a) it has the proper legal power and capacity to enter into this Agreement and to perform its obligations under this Agreement;
 - (b) it is and shall remain the administrator of the Intellectual Property for as long as this Agreement is in effect and as such has the legal power and capacity to license the Intellectual Property to XXX, and that, to its knowledge, the use of the Intellectual Property pursuant to this Agreement does not infringe upon the intellectual property rights of any other person, firm or corporation;
30. XXX represents and warrants to THE ORGANIZATION that it has the proper legal power and capacity to enter into this Agreement and to perform its obligations under this Agreement; and
31. Each party to this Agreement is responsible for maintaining liability insurance, in an amount sufficient to protect such party in the event of third party claims for bodily injury, personal injury or property damage (including loss of use thereof) arising in connection with the performance of this Agreement and all other business operations.

THIRD PARTY CLAIMS, INDEMNITY AND HOLD HARMLESS

32. Each party shall indemnify and hold harmless the other, its employees and agents against and from any and all third party claims, demands, actions, or costs (including legal costs on a solicitor-client basis) to the extent arising from:
- (a) that party's breach of this Agreement, or

- (b) the negligence, other tortious act or willful misconduct of that party, or its employees, in relation to the performance of its obligations under this Agreement.

The party claimed against or sued by a third party must notify the other in writing of a claim or suit promptly and provide reasonable cooperation, at the responsible party's expense. Neither party shall have any obligation under any settlement made without its written consent.

THIRD PARTY CLAIMS IN RELATION TO INTELLECTUAL PROPERTY

33. If a third party claims that the Logo delivered to XXX for use and incorporation into the Specialty License Plates by THE ORGANIZATION, THE ORGANIZATION's employees or agents under this Agreement infringes any copyright, patent, trade secret, industrial design, trade mark or any other proprietary right enforceable in Canada, THE ORGANIZATION will defend XXX against that claim at THE ORGANIZATION's expense.

In this regard, THE ORGANIZATION will pay all costs, damages and legal fees that a court finally awards or are included in a settlement agreed to by THE ORGANIZATION, provided that XXX:

- (a) promptly notifies THE ORGANIZATION in writing of the claim; and
 - (b) cooperates with THE ORGANIZATION, and allows THE ORGANIZATION to control, with XXX's participation, the defense and any related settlement negotiations.
34. If such a claim is made or appears likely to be made under clause 33, XXX agrees to permit THE ORGANIZATION to enable XXX, at THE ORGANIZATION's cost and with

XXX's agreement, to continue to use the Logo or to provide XXX with a non-infringing replacement or modification for use and incorporation into a Specialty License Plate. If THE ORGANIZATION determines that none of these alternatives is reasonably available, XXX shall halt issuing the Specialty License Plates that display the alleged infringing Logo on THE ORGANIZATION's written request and THE ORGANIZATION shall pay XXX, upon XXX providing THE ORGANIZATION an invoice identifying the number of issued and unissued Specialty License Plates, the reasonable costs associated with recalling all issued Specialty License and exchanging them with replacement License Plates and the costs of the unissued stock of Specialty License Plates.

The party claimed against or sued by a third party must notify the other in writing of a claim or suit promptly and provide reasonable cooperation, at the responsible party's expense. Neither party shall have any obligation under any settlement made without its written consent.

NON-ASSIGNABILITY

35. THE ORGANIZATION shall not assign or otherwise dispose of any of its rights, obligations or interests in this Agreement without the prior written consent of XXX, which shall not be unreasonably withheld.

RELATIONSHIP OF THE PARTIES

36. The relationship of THE ORGANIZATION to XXX under this Agreement is that of an independent licensor of the Intellectual Property, and nothing in this Agreement is to be construed as creating an agency, partnership, joint venture or employment relationship between THE ORGANIZATION and XXX.

NOTICES

37. Any notice to be made under this Agreement is to be made in writing, and is effective when delivered to the address or transmitted by fax to the fax number, as follows:

XXX: NAME, TITLE, ADDRESS &
CONTACT INFO HERE

THE ORGANIZATION: NAME, TITLE,
ADDRESS & CONTACT INFO

The parties respectively designate for the time being, the individuals identified in this clause as having the authority to give notice, and notice given by these individuals is binding on the party giving the notice.

38. Either party may change its information in clause 37 by giving notice to the other in the manner described in clause 37.

39. Any notice personally served or sent by fax shall be deemed received when actually delivered or received, if delivery or fax transmission is on a Business Day, or if not on a Business Day, on the following Business Day.

GENERAL

40. In the case of conflicts or discrepancies among this document and Schedule A, the documents shall take precedence and govern in the following order:

- (a) The body of this document; and
- (b) Schedule A.

41. This Agreement contains the entire agreement of the parties concerning the subject matter of this Agreement and except as expressed in this Agreement, there are no other understandings or agreements, verbal or otherwise, that exist between the parties.

42. This Agreement shall be for the benefit of and binds the successors and assigns of the parties.

43. Time is of the essence of this Agreement.

44. The Parties may amend this Agreement only by mutual written agreement signed by the parties.

45. The terms and conditions contained in this Agreement that by their sense and context are intended to survive the performance of this Agreement by the parties shall so survive the completion and performance, suspension or termination of this Agreement.

46. This Agreement shall be governed by and interpreted in accordance with the laws in force in Jurisdiction X and the laws of Canada applicable in Jurisdiction X, and the parties irrevocably attorn to the exclusive jurisdiction of courts in Jurisdiction X.

47. In this Agreement any reference to a statute shall mean the statute in force as at the Effective Date, together with all regulations promulgated thereunder, as the same may be amended, reenacted, consolidated or replaced, from time to time, and any successor statute thereto, unless expressly provided.

48. Any waiver by either party of the performance by the other of an obligation under this Agreement must be in writing, and such waiver does not constitute a continuing waiver of the performance of that obligation unless a contrary intention is expressed in writing.

49. The rights and remedies of XXX under this Agreement are cumulative and any one or more may be exercised.

50. The headings in this Agreement are inserted for convenience of reference only and shall not affect the meaning or construction of this Agreement.

51. In this Agreement words in the singular include the plural and words in the plural include the singular.

52. This Agreement may be executed in counterparts, in which case (i) the counterparts together shall constitute one agreement, and (ii) communication of execution by fax transmission or e-mailed in PDF shall constitute good delivery.

This Agreement has been executed on behalf of each party by their duly authorized representatives.

XXX

_____ signed on _____ 2018

Name Printed: Title:

ORGANIZATION

_____ signed on _____ 2018

Name Printed: Title:

Appendix E AAMVA Improving ALPR Effectiveness through Uniform License Plate Design and Manufacture Best Practices Guide

The following link will navigate readers to the AAMVA Best Practices and Model Legislation website page where the complete “Best Practices for Improving Automated License Plate Reader Effectiveness through Uniform License Plate Design and Manufacture Best Practices Guide” can be found.

NOTE: AAMVA anticipates this document will be updated and republished in 2021.

<http://www.aamva.org/best-practices-and-model-legislation>

Appendix F AAMVA 2020 License Plate Standard Working Group Roster

CO-CHAIRS

Chris Childs

Assistant Chief
California Highway Patrol

Charles Hollis

Assistant Administrator
Rhode Island Division of Motor Vehicles

MEMBERS

Nikki Bachelder

Clerk IV, Registration Section Office Supervisor
Maine Bureau of Motor Vehicles

Brandy Bray

Manager, Issuer & Customer Support Services
Saskatchewan Government Insurance

Tom Foster

Captain
Washington State Patrol

Lisa Green

Bureau Director
Mississippi Department of Revenue

Jessica McEwen

Director of Registration
Indiana Bureau of Motor Vehicles

Hermenia Perkins-Brown

License Plate Officer
South Carolina Department of Motor Vehicles

LeeAnn Phelps

Public Service Executive I
Kansas Division of Vehicles

Craig Phillips

Captain
Kansas Highway Patrol

Cindy Zuerblis

Division Manager
Connecticut Department of Motor Vehicles

PARTNER

Ryan Daugirda

Manager
International Association of Chiefs of Police

TECHNICAL ADVISORS

Neville Boston

Chief Strategy Officer
Reviver

Lynn Conaway

Vice President, Sales & Marketing
John R. Wald Company, Inc.

Jeff Hielsberg

Regional Sales Director
Intellectual Technology, Inc.

Nate Maloney

Vice President, Marketing & Communications
Selex ES Inc., a Leonardo Company

TECHNICAL ADVISORS *(continued)***David Pointon**

Government & Industry Manager
3M Company

Dan Pullium

Senior Government Affairs Manager
Dealertrack

Lauren Dolan

Marketing Manager
Waldale Irwin Hodson Group

AAMVA STAFF**Brian Ursino**

Director, Law Enforcement

Cathie Curtis

Director, Vehicle Programs

Kristen Shea

Senior Programs Analyst

Paul Steier

Law Enforcement Program Manager

OUR VISION

*Safe drivers
Safe vehicles
Secure identities
Saving lives!*



American Association of Motor Vehicle Administrators

4401 Wilson Blvd, Suite 700
Arlington, Virginia 22203
703.522.4200 | aamva.org

Board Policy Documents

Governance Process (10/13/11)

Strategic Planning (10/13/11)

Board Vision (4/7/16)

Agency Boundaries (9/13/12)

Texas Department of Motor Vehicles TxDMV Board Governance Policy

1. PURPOSE

The directives presented in this policy address board governance of the Texas Department of Motor Vehicles (TxDMV).

2. SCOPE

The directives presented in this policy apply to the TxDMV Board and TxDMV agency personnel who interact with the Board. The TxDMV Board Governance Policy shall be one that is comprehensive and pioneering in its scope.

3. POLICY

3.1. TxDMV Board Governing Style

The Board shall govern according to the following general principles: (a) a vision for the agency, (b) diversity in points of view, (c) strategic leadership, providing day-to-day detail as necessary to achieve the agency vision, (d) clear distinction of Board and Executive Director roles, (e) collective decision making, (f) react proactively rather than reactively and with a strategic approach. Accordingly:

- 3.1.1. The Board shall provide strategic leadership to TxDMV. In order to do this, the Board shall:
 - 3.1.1.1. Be proactive and visionary in its thinking.
 - 3.1.1.2. Encourage thoughtful deliberation, incorporating a diversity of viewpoints.
 - 3.1.1.3. Work together as colleagues, encouraging mutual support and good humor.
 - 3.1.1.4. Have the courage to lead and make difficult decisions.
 - 3.1.1.5. Listen to the customers and stakeholders needs and objectives.
 - 3.1.1.6. Anticipate the future, keeping informed of issues and trends that may affect the mission and organizational health of the TxDMV.
 - 3.1.1.7. Make decisions based on an understanding that is developed by appropriate and complete stakeholder participation in the process of identifying the needs of the motoring public, motor vehicle industries,

and best practices in accordance with the mission and vision of the agency.

- 3.1.1.8. Commit to excellence in governance, including periodic monitoring, assessing and improving its own performance.
- 3.1.2. The Board shall create the linkage between the Board and the operations of the agency, via the Executive Director when policy or a directive is in order.
- 3.1.3. The Board shall cultivate a sense of group responsibility, accepting responsibility for excellence in governance. The Board shall be the initiator of policy, not merely respond to staff initiatives. The Board shall not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the Board as a body.
- 3.1.4. The Board shall govern the agency through the careful establishment of policies reflecting the board's values and perspectives, always focusing on the goals to be achieved and not the day-to-day administrative functions.
- 3.1.5. Continual Board development shall include orientation of new Board members in the board's governance process and periodic board discussion of how to improve its governance process.
- 3.1.6. The Board members shall fulfill group obligations, encouraging member involvement.
- 3.1.7. The Board shall evaluate its processes and performances periodically and make improvements as necessary to achieve premier governance standards.
- 3.1.8. Members shall respect confidentiality as is appropriate to issues of a sensitive nature.

3.2. TxDMV Board Primary Functions/Characteristics

TxDMV Board Governance can be seen as evolving over time. The system must be flexible and evolutionary. The functions and characteristics of the TxDMV governance system are:

- 3.2.1. Outreach
 - 3.2.1.1. Monitoring emerging trends, needs, expectations, and problems from the motoring public and the motor vehicle industries.
 - 3.2.1.2. Soliciting input from a broad base of stakeholders.

3.2.2. Stewardship

3.2.2.1. Challenging the framework and vision of the agency.

3.2.2.2. Maintaining a forward looking perspective.

3.2.2.3. Ensuring the evolution, capacity and robustness of the agency so it remains flexible and nimble.

3.2.3. Oversight of Operational Structure and Operations

3.2.3.1. Accountability functions.

3.2.3.2. Fiduciary responsibility.

3.2.3.3. Checks and balances on operations from a policy perspective.

3.2.3.4. Protecting the integrity of the agency.

3.2.4. Ambassadorial and Legitimizing

3.2.4.1. Promotion of the organization to the external stakeholders, including the Texas Legislature, based on the vision of the agency.

3.2.4.2. Ensuring the interests of a broad network of stakeholders are represented.

3.2.4.3. Board members lend their positional, professional and personal credibility to the organization through their position on the board.

3.2.5. Self-reflection and Assessment

3.2.5.1. Regular reviews of the functions and effectiveness of the Board itself.

3.2.5.2. Assessing the level of trust within the Board and the effectiveness of the group processes.

3.3. Board Governance Investment

Because poor governance costs more than learning to govern well, the Board shall invest in its governance capacity. Accordingly:

3.3.1. Board skills, methods, and supports shall be sufficient to ensure governing with excellence.

- 3.3.1.1. Training and retraining shall be used liberally to orient new members, as well as maintain and increase existing member skills and understanding.
 - 3.3.1.2. Outside monitoring assistance shall be arranged so that the board can exercise confident control over agency performance. This includes, but is not limited to, financial audits.
 - 3.3.1.3. Outreach mechanisms shall be used as needed to ensure the Board's ability to listen to stakeholder viewpoints and values.
 - 3.3.1.4. Other activities as needed to ensure the Board's ability to fulfill its ethical and legal obligations and to represent and link to the motoring public and the various motor vehicle industries.
- 3.3.2. The Board shall establish its cost of governance and it will be integrated into strategic planning and the agency's annual budgeting process.

3.4. Practice Discipline and Assess Performance

The Board shall ensure the integrity of the board's process by practicing discipline in Board behavior and continuously working to improve its performance. Accordingly:

- 3.4.1. The assigned result is that the Board operates consistently with its own rules and those legitimately imposed on it from outside the organization.
 - 3.4.1.1. Meeting discussion content shall consist solely of issues that clearly belong to the Board to decide or to monitor according to policy, rule and law. Meeting discussion shall be focused on performance targets, performance boundaries, action on items of Board authority such as conduct of administrative hearings, proposal, discussion and approval of administrative rule-making and discussion and approval of all strategic planning and fiscal matters of the agency.
 - 3.4.1.2. Board discussion during meetings shall be limited to topics posted on the agenda.
 - 3.4.1.3. Adequate time shall be given for deliberation which shall be respectful, brief, and to the point.
- 3.4.2. The Board shall strengthen its governing capacity by periodically assessing its own performance with respect to its governance model. Possible areas of assessment include, but are not limited to, the following:
 - 3.4.2.1. Are we clear and in agreement about mission and purpose?

-
- 3.4.2.2. Are values shared?
 - 3.4.2.3. Do we have a strong orientation for our new members?
 - 3.4.2.4. What goals have we set and how well are we accomplishing them?
 - 3.4.2.5. What can we do as a board to improve our performance in these areas?
 - 3.4.2.6. Are we providing clear and relevant direction to the Executive Director, stakeholders and partners of the TxDMV?
- 3.4.3. The Board Chair shall periodically promote regular evaluation and feedback to the whole Board on the level of its effectiveness.

Texas Department of Motor Vehicles Strategic Planning Policy

1. PURPOSE

The directives presented in this policy address the annual Strategic Planning process at the Texas Department of Motor Vehicles (TxDMV).

2. SCOPE

The directives presented in this policy apply to the TxDMV Board and TxDMV agency personnel who interact with the Board. TxDMV Strategic Planning Policy attempts to develop, document and expand its policy that is comprehensive in its scope in regards to the strategic planning process of the Board and the Department beyond that of the state strategic planning process.

3. POLICY

3.1. TxDMV Board Strategic Planning

This policy describes the context for strategic planning at TxDMV and the way in which the strategic plan shall be developed and communicated.

- 3.1.1. The Board is responsible for the strategic direction of the organization, which includes the vision, mission, values, strategic goals, and strategic objectives.
- 3.1.2. TxDMV shall use a 5-year strategic planning cycle, which shall be reviewed and updated annually, or as needed.
- 3.1.3. The 5-year strategic plan shall be informed by but not confined by requirements and directions of state and other funding bodies.
- 3.1.4. In developing strategic directions, the Board shall seek input from stakeholders, the industries served, and the public.
- 3.1.5. The Board shall:
 - 3.1.5.1. Ensure that it reviews the identification of and communication with its stakeholders at least annually.
 - 3.1.5.2. Discuss with agency staff, representatives of the industries served, and the public before determining or substantially changing strategic directions.

-
- 3.1.5.3. Ensure it receives continuous input about strategic directions and agency performance through periodic reporting processes.
 - 3.1.6. The Board is responsible for a 5-year strategic plan that shall identify the key priorities and objectives of the organization, including but not limited to:
 - 3.1.6.1. The creation of meaningful vision, mission, and values statements.
 - 3.1.6.2. The establishment of a Customer Value Proposition that clearly articulates essential customer expectations.
 - 3.1.6.3. A Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis, to be updated annually.
 - 3.1.6.4. An assessment of external factors or trends (i.e., customer needs, political factors, economic factors, industry trends, technology factors, uncertainties, etc.)
 - 3.1.6.5. Development of the specific goals and objectives the Department must achieve and a timeline for action.
 - 3.1.6.6. Identification of the key performance indicators to measure success and the initiatives that shall drive results.
 - 3.1.6.7. Engage staff at all levels of the organization, through the executive director, in the development of the strategic plan through surveys, interviews, focus groups, and regular communication.
 - 3.1.6.8. Ensure the strategic planning process produces the data necessary for LBB/GOBPP state required compliance while expanding and enhancing the strategic plan to support the needs of the TxDMV. The overall strategic plan shall be used as a tool for strategic management.
 - 3.1.7. The Board delegates to the Executive Director the responsibility for **implementing** the agency's strategic direction through the development of agency wide and divisional operational plans.
-



Texas Department of Motor Vehicles TxDMV Goals and Objectives

1. PURPOSE

The information presented in this policy addresses the goals and key objectives of the Board of the Texas Department of Motor Vehicles (TxDMV) as they relate to the mission, vision, and values of the TxDMV.

2. SCOPE

The scope of this policy is to define the desired state the TxDMV Board is working to achieve. This policy is designed to be inspirational in outlining the desired state of the agency that supports the TxDMV Board vision and meeting agency goals.

3. TxDMV MISSION

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

4. TxDMV VISION

The Texas Department of Motor Vehicles sets the standard as the premier provider of customer service in the nation.

5. TxDMV VALUES

To earn the trust and faith of all citizens of Texas with transparency, efficiency, excellence, accountability, and putting stakeholders first.

- 5.1. **Transparency** – Being open and inclusive in all we do.
- 5.2. **Efficiency** – Being good stewards of state resources by providing products and services in the most cost-effective manner possible.
- 5.3. **Excellence** – Working diligently to achieve the highest standards.
- 5.4. **Accountability** – Accepting responsibility for all we do, collectively and as individuals.
- 5.5. **Stakeholders** – Putting customers and stakeholders first, always.

6. TxDMV GOALS

6.1. GOAL 1 – Performance Driven

The TxDMV shall be a performance driven agency in its operations whether it is in customer service, licensing, permitting, enforcement or rule-making. At all times the TxDMV shall mirror in its performance the expectations of its customers and stakeholder by effective, efficient, customer-focused, on-time, fair, predictable and thorough service or decisions.

6.1.1. Key Objective 1

The TxDMV shall be an agency that is retail-oriented in its approach. To accomplish this orientation TxDMV shall concentrate the focus of the agency on:

- 6.1.1.1. Delivering its products and services to all of its customers and stakeholders in a manner that recognizes that their needs come first. These needs must be positively and proactively met. TxDMV works for and with its customers and stakeholders, not the other way around.
- 6.1.1.2. Operating the agency's licensing and registration functions in a manner akin to how a private, for-profit business. As a private, for-profit business, TxDMV would have to listen to its customers and stakeholders and implement best practices to meet their needs or its services would no longer be profitable or necessary. Act and react in a manner that understands how to perform without a government safety net and going out of business.
- 6.1.1.3. Simplify the production and distribution processes and ease of doing business with the TxDMV. Adapting and maintaining a business value of continuous improvement is central to TxDMV operations and processes.
- 6.1.1.4. All operations of the TxDMV shall stand on their own merits operationally and financially. If a current process does not make sense then TxDMV shall work within legislative and legal constraints to redesign or discard it. If a current process does not make or save money for the state and/or its customers or stakeholders then TxDMV shall work within legislative and legal constraints to redesign or discard it. TxDMV shall operate as efficiently and effective as possible in terms of financial and personnel needs. Divisions should focus on cost savings without sacrificing performance. Division directors are accountable for meeting these needs and applicable measures. All division directors are collectively responsible for the performance of TxDMV as a whole.
- 6.1.1.5. Focus on revenue generation for transportation needs as well as the needs of its customers.
- 6.1.1.6. Decisions regarding the TxDMV divisions should be based on the overriding business need of each division to meet or provide a specific service demand, with the understanding and coordination of overarching agency-wide needs.

- 6.1.1.7. Developing and regularly updating a long-range Statewide Plan describing total system needs, establishing overarching statewide goals, and ensuring progress toward those goals.
- 6.1.1.8. The TxDMV shall establish a transparent, well-defined, and understandable system of project management within the TxDMV that integrates project milestones, forecasts, and priorities.
- 6.1.1.9. The TxDMV shall develop detailed work programs driven by milestones for major projects and other statewide goals for all TxDMV divisions.
- 6.1.1.10. The TxDMV, with input from stakeholders and policymakers, shall measure and report on progress in meeting goals and milestones for major projects and other statewide goals.

6.2. GOAL 2 – Optimized Services and Innovation

The TxDMV shall be an innovative, forward thinking agency that looks for ways to promote the economic well-being and development of the industries it serves as well as the State of Texas within the legislative boundaries that have been established for the agency.

6.2.1. Key Objective 1

The TxDMV shall achieve operational, cultural, structural and financial independence from other state agencies.

- 6.2.1.1. Build the TxDMV identity. This means that TxDMV shall make customers aware of what services we offer and how they can take advantage of those services.
- 6.2.1.2. Build the TxDMV brand. This means that TxDMV shall reach out to the stakeholders, industries we serve and the public, being proactive in addressing and anticipating their needs.
- 6.2.1.3. Determine immediate, future, and long term facility and capital needs. TxDMV needs its own stand-alone facility and IT system as soon as possible. In connection with these needs, TxDMV shall identify efficient and effective ways to pay for them without unduly burdening either the state, its customers or stakeholders.
- 6.2.1.4. All regulations, enforcement actions and decision at TxDMV shall be made in a timely, fair and predictable manner.

6.2.2. Key Objective 2



Provide continuous education training on business trends in the industry with a particular emphasis on activities in Texas.

6.2.3. Key Objective 3

Provide continuous outreach services to all customers and stakeholders to access their respective needs and wants. This includes helping frame legislative or regulatory issues for consideration by other bodies including the legislature.

6.2.4. Key Objective 4

Examine all fees to determine their individual worth and reasonableness of amount. No fee shall be charged that cannot be defended financially and operationally.

6.3. GOAL 3 – Customer-centric

The TxDMV shall be a customer-centric agency that delivers today's services and decisions in a positive, solution-seeking manner while ensuring continuous, consistent and meaningful public and stakeholder involvement in shaping the TxDMV of tomorrow.

6.3.1. Key Objective 1

The TxDMV shall seek to serve its customer base through a creative and retail oriented approach to support the needs of its industries and customers.

6.3.2. Key Objective 2

The TxDMV shall develop and implement a public involvement policy that guides and encourages meaningful public involvement efforts agency-wide.

6.3.3. Key Objective 3

The TxDMV shall develop standard procedures for documenting, tracking, and analyzing customer complaint data. Successful problem resolution metrics should be monitored to support continuous improvement activities that shall permanently improve customer facing processes.

6.3.4. Key Objective 4

The TxDMV shall provide a formal process for staff with similar responsibilities to share best practices information.

6.3.5. Key Objective 5



The TxDMV shall provide central coordination of the Department's outreach campaigns.

6.3.6. Key Objective 6

The TxDMV shall develop and expand user friendly, convenient, and efficient website applications.

6.3.7. Key Objective 7

TxDMV shall timely meet all legislative requests and mandates.

Agency Operational Boundaries as Defined by Department Policies of the TxDMV Board (Board)

The Board is responsible for the policy direction of the agency. The Board's official connection to the day-to-day operation of the Texas Department of Motor Vehicles (TxDMV) and the conduct of its business is through the Executive Director of the TxDMV (ED) who is appointed by the Board and serves at its pleasure. The authority and accountability for the day-to-day operations of the agency and all members of the staff, except those members who report directly to the Board, is the sole responsibility of the ED.

In accordance with its policy-making authority the Board has established the following policy boundaries for the agency. The intent of the boundaries is not to limit the ability of the ED and agency staff to manage the day-to-day operations of the agency. To the contrary, the intent of the boundaries is to more clearly define the roles and responsibilities of the Board and the ED so as to liberate the staff from any uncertainty as to limitations on their authority to act in the best interest of the agency. The ED and staff should have certainty that they can operate on a daily basis as they see fit without having to worry about prior Board consultation or subsequent Board reversal of their acts.

The ED and all agency employees shall act at all times in an exemplary manner consistent with the responsibilities and expectations vested in their positions. The ED and all agency employees shall act in a manner consistent with Board policies as well as with those practices, activities, decisions, and organizational circumstances that are legal, prudent, and ethical. It is the responsibility of the ED to ensure that all agency employees adhere to these boundaries.

Accordingly, the TxDMV boundaries are as follows:

1. The day-to-day operations of the agency should be conducted in a manner consistent with the vision, mission, values, strategic framework, and performance metrics as established by the Board. These elements must not be disregarded or jeopardized in any way.
2. A team-oriented approach must be followed on all enterprise-wide decisions to ensure openness and transparency both internally and externally.
3. The agency must guard against allowing any financial conditions and decision which risk adverse fiscal consequences, compromise Board financial priorities, or fail to



show an acceptable level of foresight as related to the needs and benefits of agency initiatives.

4. The agency must provide timely, accurate, and honest information that will afford the Board, public, stakeholders, executive branch and the legislature the best ability to evaluate all sides of an issue or opportunity before forming an opinion or taking action on it. Any information provided that is intentionally untimely, inaccurate, misleading or one-sided will not be tolerated.
5. The agency must take all reasonable care to avoid or identify in a timely manner all conflicts of interest or even the appearance of impropriety in awarding purchases, negotiating contracts or in hiring employees.
6. The agency must maintain adequate administrative policies and procedures that are understandable and aid in staff recruitment, development and retention.
7. The agency must maintain an organizational structure that develops and promotes the program areas from an enterprise-wide perspective. No organizational silos or sub-agencies will be allowed. We are the TxDMV.
8. The agency must empower its entire staff to deliver a positive customer experience to every TxDMV customer, stakeholder or vendor to reduce their effort and make it easier for them to do business with the TxDMV.
9. The agency must at all times look to flattening its organizational structure to reduce cost as technology advances allow.
10. Agency staff shall anticipate and resolve all issues timely.
11. The agency must maximize the deployment and utilization of all of its assets – people, processes and capital equipment – in order to fully succeed.
12. The agency must not waste the goodwill and respect of our customers, stakeholders, executive branch and legislature. All communication shall be proper, honest, and transparent with timely follow-up when appropriate.
13. The agency should focus its work efforts to create value, make sure that processes, programs, or projects are properly designed, budgeted and vetted as appropriate with outside stakeholders to ensure our assumptions are correct so positive value continues to be created by the actions of the TxDMV.
14. The ED through his or her staff is responsible for the ongoing monitoring of all program and fiscal authorities and providing information to the Board to keep it apprised of all program progress and fiscal activities. This self-assessment must result in a product that adequately describes the accomplishment of all program

goals, objectives and outcomes as well as proposals to correct any identified problems.

15. In advance of all policy decisions that the Board is expected to make, the ED will provide pertinent information and ensure board members understand issues/matters related to the pending policy decision. Additionally, the ED or designee will develop a process for planning activities to be performed leading up to that particular policy decision and the timeframe for conducting these planning activities. It is imperative that the planning process describes not only when Board consideration will be expected but also when prior Board consultation and involvement in each planning activity will occur.
16. In seeking clarification on informational items Board members may directly approach the ED or his or her designee to obtain information to supplement, upgrade or enhance their knowledge and improve the Board's decision-making. Any Board member requests that require substantive work should come to the Board or Committee Chairs for direction.
17. The agency must seek stakeholder input as appropriate on matters that might affect them prior to public presentation of same to the Board.
18. The agency must measure results, track progress, and report out timely and consistently.
19. The ED and staff shall have the courage to admit a mistake or failure.
20. The ED and staff shall celebrate successes!

The Board expects the ED to work with agency staff to develop their written interpretation of each of the boundaries. The ED will then present this written interpretation to the Board prior to discussion between the Board and ED on the interpretation. The Board reserves the right to accept, reject or modify any interpretation. The intent is that the Board and the ED will come to a mutually agreeable interpretation of agency boundaries that will then form the basis of additional written thought on the part of the ED and staff as to how these boundaries will influence the actions of the agency.