

82nd Legislative Session
Final Report
July 13, 2011

Jeremiah Kuntz Denise Pittard Katharine Chambers

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## **Executive Summary**

### Introduction

This report is intended to provide the Texas Department of Motor Vehicles (TxDMV) and the board an overview of the 82<sup>nd</sup> Legislative Session. The report provides a schedule and a plan to follow over the next several months, identifying the type of actions required to implement the provisions of the bills that passed and became law. The types of actions include drafting administrative rules, policy actions, and providing guidelines. In addition, the report includes a bill report for each piece of legislation that passed the legislature, which includes a final bill analysis and an implementation plan. The implementation plan includes a proposed schedule of the activities required to implement the bill changes. The schedules may change as stakeholders are contacted and provided opportunity for input or as other challenges are identified. The board will be notified if major milestones change or cannot be met.

The 82<sup>nd</sup> Legislative Session began on January 11, 2011. The TxDMV was actively involved during both the regular and special sessions to ensure the agency was adequately funded during the budget process and that legislation affecting the agency could be implemented correctly. The Government and Stakeholder Relations Division utilized the talents and expertise of individuals within each TxDMV division directly affected by the legislation, to analyze the bills that were moving through the legislative process. Out of the 6003 pieces of legislation filed during the regular session and 114 filed during the special session, agency staff was assigned 591 bills for review and analysis. Additionally, the agency analyzed and prepared 138 fiscal notes for relevant bills. Of the 591 bills the agency tracked, 117 bills passed the legislature and were sent to the governor for consideration, five were vetoed.

After completing a final bill review, it was determined that 41 of the passed bills require action by the TxDMV to implement the legislated changes. While SB 1035, relating to motor vehicle title services, was vetoed by the governor, the bill still requires action by TxDMV. The governor's veto proclamation directed the TxDMV and the affected stakeholders to work during the interim to find a solution to issues regarding this industry. The executive director will assign a working group to complete any necessary actions before the next legislative session.

### Summary

Below is a summary of the key bills that directly impact the TxDMV. Additionally, a comprehensive list of bills is provided in the legislative implementation reference table. Each bill listed in the table also has a corresponding final bill report in Appendix A.

### **Budget**

The legislature was successful in passing HB 1, the General Appropriations Act of the 82<sup>nd</sup> Regular Session; however, SB 1811, a fiscal matters bill that was needed to certify the budget, failed to pass. The day after the 82<sup>nd</sup> Legislature adjourned Sine Die, Governor Perry called the Texas Legislature into a special session to pass a bill that would ensure the state would collect enough revenue for the comptroller to certify the budget. SB 1, of the 82<sup>nd</sup> 1<sup>st</sup> Called Session, relating to certain state fiscal matters needed to pass during the special session to certify the budget. SB 1 passed both the House and the Senate and was sent to the governor on June 29, 2011.

House Bill 1, 82nd Legislature, Regular Session, establishes the agency appropriations for the 2012-2013 Biennium. The agency's base appropriation for the next biennium is \$162.6 million in 2012 and \$117.9 million in 2013 (\$280.6 million for the biennium) and 647 full time equivalents (FTEs).

The TxDMV requested a rider authorizing the unexpended portion of the appropriation to carry forward from FY 2012 to FY 2013. The agency was only granted this authority with regard to the capitol budget appropriation. Any other remaining portion of the FY 2012 appropriation not obligated before the beginning of the 2013 FY will lapse.

During the regular session, HB 1, initially removed the agency's general revenue appropriation for the Automobile Burglary and Theft Prevention Authority (ABTPA) from the base budget. However, HB 1541 by McClendon included a provision to double the insurance fee that is used to fund the program from \$1 to \$2, and to allocate the increase in the fee collected to the ABTPA programs. The HB 1 budget included a contingency rider that appropriated the associated fees to the ABTPA if HB 1541 passed. HB 1541 did pass and is effective on September 1, 2011 and the program is fully funded at \$14,911,870 per year of the biennium.

### **Budget Adjustments**

The budget contained other provisions relating to all state agencies and contingencies that adjust the base budget amount. The TxDMV was successful at getting a contingency rider added to the budget that will appropriate the fees collected with regard to the My Plates contract for specialty license plates to the TxDMV in an estimated amount of \$5 million per fiscal year. These proceeds will be used to reimburse My Plates in accordance with its contract.

The budget also contained riders to reduce the agency's budget for data center services and payroll contributions for group health insurance. The adjustments to the base budget needed to fund these items are \$11,174,478 for each fiscal year (\$22.3 million for the biennium).

The largest single adjustment to the budget was a contingency rider related to SB 1420 that transferred oversized/overweight permitting from Texas Department of Transportation (TxDOT) to the TxDMV. The program brings to the TxDMV116 FTEs and approximately \$7 million in appropriations per fiscal year.

The TxDMV's total adjusted appropriation is \$173.8 million and \$129.1 million for FY2012 and 2013 respectively with 763 FTEs.

#### **TxDMV Priorities**

The agency pursued four priorities during the 82<sup>nd</sup> Legislative Session and was granted a four year extension for its sunset review. The first priority was to clean up the statutes of the TxDMV that were transferred from the TxDOT (HB 2017); and to recodify and update the vehicle titles and registration statutes (HB 2357). Additionally, the agency sought authority to set fees by rule (HB 3295); and to create a dedicated account for the TxDMV (HB 3413). The latter two bills did not pass.

HB 2017 (DMV Cleanup Bill) passed the legislature and will take effect on September 1, 2011. The bill clarifies the roles and responsibilities of the Board and department. In addition, HB 2017 removed the statutory requirement for the agency to be organized into specific divisions and granted the TxDMV flexibility to align the divisions, to accomplish its strategic goals.

HB 2357, the vehicle titles and registration cleanup bill, passed the legislature and will take effect on January 1, 2012 or on a different effective date for certain sections if otherwise noted in the bill. The bill provides TxDMV with the

statutory authorization needed to more fully utilize technology, to accept modern forms of payment, and to move forward with modern processes by removing statutory language tied to outdated technology, payment methods/physical payment, and paper documents. The reorganization of the statutes standardizes definitions into one location for simplicity and uniformity.

The bill also provides authorization for electronic titles, fleet registration for trailers, the requirement to present identification for title or registration application, cancellation or rescission of a title for a new vehicle (when all parties agree by affidavit to rescind the sale of the vehicle). HB 2357 modifies the statute covering the specialty license plate marketing vendor contract, allows the department to establish standards for service quality and other related standards, allows the department to enter into an agreement with county tax assessor-collectors to facilitate the processing of some aspects of registration and title transactions, and allows the department to impose a civil penalty if a salvage vehicle licensee violates a provision under the Occupations Code or rule filed in accordance with the Occupations Code.

In addition, HB 2357 instructs the department to conduct a study, in conjunction with the Department of Public Safety (DPS), regarding recommendations for the consolidation of shared records and information to be completed by September 1, 2012.

While SB 652 was not originally a priority of the TxDMV it does make a significant change in the timing of the agency's sunset review. SB 652 is the sunset review schedule bill. It amends various state agency sunset dates to ensure that the Sunset Commission can spread out its workload accordingly. The TxDMV sunset review date was previously scheduled for September 1, 2015. SB 652 changed the sunset date to September 1, 2019.

#### **Transfer of Programs**

The 82<sup>nd</sup> Legislature passed SB 1420, the TxDOT sunset bill, which included a provision transferring the oversized/overweight permitting program from TxDOT to the TxDMV no later than January 1, 2012. The bill allows the TxDMV to enter into a memorandum of understanding (MOU) with TxDOT, to implement these changes. SB 1420 takes effect on September 1, 2011.

There were other bills that were considered by the legislature that would have moved various programs from other state agencies to the TxDMV. Some of them included moving or studying the possibility of moving to the TxDMV:

- The vehicle inspection program (HB 3296) from the DPS;
- The driver license program (HB 3293) from DPS;
- The boat registration and titling (HB 3297) from the Texas Parks and Wildlife Department (TPWD).

These bills did not pass and the programs will continue at the respective agencies.

#### **Other Bills**

Of the 117 bills that passed the regular and special session that were of interest to TxDMV, 71 do not directly impact TxDMV; however, the bills impact the agency's operations and administration. These areas of interest include several finance, purchasing and administrative changes, license plate issues, electronic liens issues, and expansion of existing laws. For additional information on all pieces of legislation of interest to TxDMV, please refer to the comprehensive list provided as Appendix A to this report.

### 82<sup>nd</sup> Legislature First Called Session

During the last hour of the 82<sup>nd</sup> Regular Legislative Session on Monday, May 30<sup>th</sup>, the Senate failed to adopt the Conference Committee Report on SB 1811. The bill would have made adjustments to the current law to facilitate the administration of the state's financial resources related to the state's budget. Governor Perry called a special session beginning the next morning.

The Texas Constitution limits topics that may be considered in a special session to those specifically designated by the governor's proclamation. The governor's proclamation initially included two items: (1) legislation necessary to fund the 2012-2013 budget, including measures that will allow school districts to operate more efficiently, and (2) legislation designed to address healthcare cost containment and access to managed care, and to improve the quality of the states' Medicaid services. Later in the month the governor added other items to the call; however, these items did not have a direct impact TxDMV.

By the end of the special session, the most important pieces of legislation for keeping the state operating and meeting the constitutional requirement for a balanced budget were passed by the legislature. SB 1 and SB 2, the "fiscal matters" bills, passed both the house and senate, and have been sent to the governor for signature.

SB 1 makes adjustments to facilitate the administration of the state's financial resources. There are no provisions with SB 1 that will require TxDMV to implement any changes; however, a few key provisions are of interest to the agency. The bill allows the Office of the Attorney General (OAG) to collect an electronic filing fee for a judgment in a case in which the state is a party and involves liability to the state. SB 1 also allows the Department of Information Resources (DIR) to set and collect fees for managing the state's information technology policy and planning, as well as managing the state's consolidated telecommunications system. Finally, the bill updates the population requirement for counties that may issue specialty license plates for golf carts to be on property owned or under the control of the United States Corps of No additional implementation actions are needed because the Engineers. vehicle titles and registration systems are already set up to administer golf cart registrations.

Legislative Implementation Reference Table

Page	Office of Primary Responsibility	Bill No.	Author	Caption/Description	Effective Date	Division Director	Team	<b>Board Action</b>	Rule	Policy	Guidance	Technology
p. 31	АВТРА	HB 1541	McClendon	Relating to the prevention of automobile burglary and theft.	1-Sep-11	Charles Caldwell	Julia Barnard					
p. 15	ADMIN	HB 726	Sheffield	Relating to the electronic distribution of information to legislators by state agencies.	17-Jun-11	Dawn Heikkila	Ann Pierce, Jeremiah Kuntz, Denise Pittard				x	
p. 58	ADMIN	SB 197	West	Relating to the compulsory inspection of motor vehicles; providing penalties.	1-Sep-11	Dawn Heikkila	Dawn Heikkila, Jeremiah Kuntz, Randy Elliston, Gary Gordier	x				
p. 66	ADMIN	SB 321	Hegar	Relating to an employee's transportation and storage of certain firearms or ammunition while on certain property owned or controlled by the employee's employer.	1-Sep-11	Dawn Heikkila	Ann Pierce		x	x		
p. 95	ADMIN	SB 1737	Van de Putte	Relating to accrual and use of leave of absence for certain training or duty, including military training or duty, by public employees and officers.	1-Sep-11	Dawn Heikkila	Ann Pierce, Sharon Brewer		x	X		
p. 1	FIN	HB 1	Pitts	General Appropriations Bill	1-Sep-11	Linda Flores	Doretta Conrad	x				
p. 4	FIN	НВ 4	Pitts	Relating to making supplemental appropriations and giving direction and adjustment authority regarding appropriations.	16-Jun-11	Linda Flores	Doretta Conrad			x		

Page	Office of Primary Responsibility	Bill No.	Author	Caption/Description	Effective Date	Division Director	Team	<b>Board Action</b>	Rule	Policy	Guidance	Technology
p. 73	GSR	SB 652	Hegar	Relating to governmental and certain quasi-governmental entities subject to the sunset review process.	17-Jun-11	Jeremiah Kuntz	Jeremiah Kuntz				х	
p. 80	GSR	SB 1035	Williams	Relating to motor vehicle title services; providing penalties.	Vetoed	Jeremiah Kuntz	Jeremiah Kuntz, Molly Cost, Brett Bray	X				
p. 8	MCD	HB 422	Guillen	Relating to certain oversize and overweight permits issued by the Texas Department of Transportation.	17-Jun-11	Brett Bray	Aline Aucoin, Angel Oliver, John Poole			х		
p. 11	MCD	HB 441	Guillen	Relating to the fees for certain commercial vehicles.	1-Sep-11	Brett Bray	Linda Kirksey, Angel Oliver, John Poole, Gary Gordier			x	x	x
p. 86	MCD	SB 1420	Hinojosa	Relating to the continuation and functions of the Texas Department of Transportation; providing penalties.	1-Sep-11	Brett Bray	Aline A., Dawn H., Linda F., Angela D., Gary G., Bill H. Sharon B. Ginny B.		x	x	x	x
p. 45	MVD	HB 2872	Orr	Relating to restrictions on the sale of certain motor vehicles at vehicle shows or exhibitions.	17-Jun-11	Molly Cost	Bill H., Michelle L., Katie A., Angela G., Howard H., Jack W.		x			x
p. 70	MVD	SB 529	Huffman	Relating to the regulation of motor vehicle dealers, manufacturers, distributors, and representatives.	1-Sep-11	Molly Cost	Michelle Lingo, Katie Andrews, Angela Gibson, Lea Burnett		x	x		X

Page	Office of Primary Responsibility	Bill No.	Author	Caption/Description	Effective Date	Division Director	Team	<b>Board Action</b>	Rule	Policy	Guidance	Technology
p. 92	MVD	SB 1733	Van de Putte	Relating to the occupational licensing of spouses of members of the military.	17-Jun-11	Molly Cost	Michelle Lingo, Katie Andrews, Angela Gibson		X		X	X
p. 33	OGC	HB 2017	McClendon	Relating to the organization, governance, duties, and functions of the Texas Department of Motor Vehicles.	1-Sep-11	Brett Bray	Lea B., Jennifer S., Aline A., Gail A., Monica B., Linda K., Molly C., Bill H., Dawn H., Linda F.	X	x	x	x	x
p. 6	VTR	HB 268	Hilderbran	Relating to the exemption from sales and use taxes, including the motor vehicle sales and use tax, for timber and certain items used in or on a farm, ranch, timber operation, or agricultural aircraft operation.	1-Sep-11	Randy Elliston	Tim Taylor, Monica Blackwell, Gary Gordier				x	x
p. 13	VTR	HB 559	Sheffield	Relating to Bronze Star Medal and Bronze Star Medal with Valor specialty license plates.	1-Sep-11	Randy Elliston	Linda Kirksey,David Pyndus, Tammera Parr-Lamb, Gary Gordier		x	x	x	x
p. 17	VTR	HB 787	Kuempel	Relating to abandoned, wrecked, dismantled, discarded, and inoperable aircraft and vessels.	1-Sep-11	Randy Elliston	Tim Taylor, Monica Blackwell			x	X	
p. 19	VTR	HB 890	Howard C	Relating to certain custom vehicles and street rods.	1-Sep-11	Randy Elliston	Tim Taylor, Monica Blackwell, Linda Kirksey, Tammera Parr-Lamb		X	X	X	X
p. 22	VTR	HB 1178	Flynn	Relating to employment protection for members of the state military forces and specialty license plates for female members of the armed forces.	17-Jun-11	Randy Elliston	David Pyndus, Linda Kirksey, Tammera Parr- Lamb	X				

Page	Office of Primary Responsibility	Bill No.	Author	Caption/Description	Effective Date	Division Director	Team	<b>Board Action</b>	Rule	Policy	Guidance	Technology
p. 24	VTR	HB 1301	Guillen	Relating to making a voluntary contribution to the Parks and Wildlife Department when registering a motor vehicle or renewing a motor vehicle registration.	17-Jun-11	Randy Elliston	Tammera Parr- Lamb, Linda Kirksey, Linda Flores, Gary Gordier		x	x	x	x
p. 27	VTR	HB 1376	Bohac	Relating to the definition of a junked vehicle for purposes of abatement of a public nuisance.	1-Sep-11	Randy Elliston	Michael Brooks, Monica Blackwell			X	X	
p. 29	VTR	HB 1422	Truitt	Relating to the issuance of titles for certain motor vehicles that are the subject of insurance claims.	1-Sep-11	Randy Elliston	Wilda Won, Monica Blackwell		x	X	X	
p. 37	VTR	HB 2080	King T	Relating to certification of a person as eligible for disabled parking privileges.	17-Jun-11	Randy Elliston	Steve Carlson, Linda Kirksey			X	x	
p. 39	VTR	HB 2357	Pickett	Relating to motor vehicles; providing penalties.	1-Sep-11 1-Jan-12 1-Sep-14	Randy Elliston	Linda K., Monica B., Jennifer S., Bill H, Molly C., Gary G., Jeremiah K.		x		x	x
p. 43	VTR	HB 2575	Phillips	Relating to the Texas Department of Motor Vehicles' electronic lien system.	1-Sep-11	Randy Elliston	Michael Brooks, Monica Blackwell, Jennifer Soldano					
p. 48	VTR	HB 2904	Zerwas	Relating to the administration of the Glenda Dawson Donate Life-Texas Registry.	1-Sep-11	Randy Elliston	Steve Carlson, Linda Kirksey, Gary Gordier					x

Page	Office of Primary Responsibility	Bill No.	Author	Caption/Description	Effective Date	Division Director	Team	<b>Board Action</b>	Rule	Policy	Guidance	Technology
p. 50	VTR	HB 2928	Farias	Relating to privileged parking for recipients of the Silver Star Medal.	1-Sep-11	Randy Elliston	Richard Eaton, Linda Kirksey			X	X	
p. 52	VTR	HB 2960	Darby	Relating to vehicles used for the purpose of participating in equine activities or attending livestock shows.	17-Jun-11	Randy Elliston	Anita Orr, Linda Kirksey			X	X	
p. 54	VTR	HB 3272	Burnam	Relating to the low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program.	1-Sep-11	Randy Elliston	Wilda Won, Linda Kirksey				x	
p. 56	VTR	HB 3580	Frullo	Relating to the issuance of specialty license plates for surviving spouses of disabled veterans of the United States armed forces.	1-Sep-11	Randy Elliston	David Pyndus, Tammera Parr- Lamb, Linda Kirksey, Gary Gordier		x	x	x	х
p. 60	VTR	SB 257	Carona	Relating to the issuance of "Choose Life" license plates and the creation of the Choose Life account in the general revenue fund.	1-Sep-11	Randy Elliston	Richard Eaton, Linda Kirksey, Anita Orr, Gary Gordier		x	x	x	x
p. 62	VTR	SB 266	Williams	Relating to notice required in connection with possessory liens on motor vehicles.	1-Sep-11	Randy Elliston	Tim Taylor, Monica Blackwell			x	x	
p. 64	VTR	SB 267	Williams	Relating to a joint statement regarding the transfer of a motor vehicle as the result of a gift.	17-Jun-11	Randy Elliston	Michael Brooks, Monica Blackwell				x	

Page	Office of Primary Responsibility	Bill No.	Author	Caption/Description	Effective Date	Division Director	Team	<b>Board Action</b>	Rule	Policy	Guidance	Technology
p. 68	VTR	SB 461	Williams	Relating to the design and issuance of license plates for United States paratroopers.	1-Sep-11	Randy Elliston	David Pyndus, Linda Kirksey, Gary Gordier			x	x	х
p. 75	VTR	SB 690	Carona	Relating to the enforcement of a self- service storage facility lien; providing a penalty.	1-Jan-12	Randy Elliston	Tim Taylor, Monica Blackwell			x	x	
p. 78	VTR	SB 896	Estes	Relating to the issuance of specialty license plates to certain family members of a person who dies while serving in the United States armed forces.	1-Sep-11	Randy Elliston	David Pyndus, Linda Kirksey, Gary Gordier		x	X	X	X
p. 82	VTR	SB 1057	Wentworth	Relating to the transfer of certain vehicle registrations at the time of sale of the vehicle.	1-Sep-11	Randy Elliston	Tammera Parr- Lamb, Linda Kirksey, Gary Gordier		x	X	X	x
p. 84	VTR	SB 1386	Lucio	Relating to the refusal to register motor vehicles by a county assessor-collector or the Texas Department of Motor Vehicles.	1-Sep-11	Randy Elliston	Michael Brooks, Linda Kirksey			x	x	
p. 89	VTR	SB 1635	Davis W	Relating to contributions to the fund for veterans' assistance.	17-Jun-11	Randy Elliston	Tammera Parr- Lamb, David Pyndus, Candy Southerland		x		x	x
p. 97	VTR	SB 1755	Van de Putte	Relating to the issuance of certain specialty license plates.	1-Sep-11	Randy Elliston	David Pyndus, Linda Kirksey, Gary Gordier		x	x	x	X

# Appendix A

Final Bill Reports



## 82<sup>nd</sup> Legislative Session - Final Bill Report

### Final Bill Analysis

Division: Finance Date: 6/9/2011

Lead: Linda Flores
Team Members: Doretta Conrad

Bill Number: HB 1
Author: Pitts

**Effective Date:** September 1, 2011

Does the bill require administrative rules?	Does the bill create a fiscal impact?
---	---------------------------------------

☐ Does the bill require technology changes? ☐ Does the bill require procedure changes?

### **Bill Caption: General Appropriations Bill**

### **Brief Summary of the Legislation:**

House Bill 1, 82<sup>nd</sup> Legislature, Regular Session, establishes the agency appropriations for the 2012-2013 Biennium. The agency's base appropriation for the next biennium is \$162.6 million in 2012 and \$117.9 million in 2013 (\$280.6 million for the biennium) and 647 full time equivalents (FTE).

The TxDMV requested a rider authorizing the unexpended portion of the appropriation to carry forward from FY 2012 to FY 2013. The agency was only granted this authority for the capitol budget appropriation. Any other remaining portion of the FY 2012 appropriation not obligated before the beginning of the 2013 FY will lapse.

#### **Budget adjustments**

The budget contained other provision relating to all state agencies and contingencies that adjust the base budget amount.

The TxDMV was successfully obtained a contingency rider that will appropriate the fees collected with regards to the My Plates contract for specialty license plates to the TxDMV in an estimated amount of \$5 million per fiscal year. These proceeds will be used to reimburse My Plates in accordance with its contract.

The budget also contained riders to reduce the agency's budget for data center services and payroll contributions for group health insurance. The adjustments to the base budget needed to fund these items are \$11,174,478 for each fiscal year (\$22.3 million for the biennium).

The largest single adjustment to the budget is a contingency rider related to SB 1420 which transferred the oversized/overweight permitting from TxDOT to the TxDMV. The program brings with it 116 FTE and approximately \$7 million of appropriations per fiscal year.

The TxDMV's total adjusted appropriation is \$173.8 million and \$129.1 million for FY2012 and 2013 respectively and 763 FTE's.

#### **Sections affected:**

Article VII-12-15

### Implementation Plan

### **Summary and Scope of Implementation Activities:**

The Finance Division is currently in the process of developing the operating budget for the agency. The operating budget will require board approval prior to the beginning of the next fiscal year which begins on September 1, 2011. The Finance Division will request divisions to provide additional funding requests as well as develop funding requests for the executive director. The operating budget will be presented to the TxDMV board's finance committee and then to the full board for final approval.

#### **Proposed Schedule and Constraints:**

June 13, 2011	Review	preliminary	operating	budget	with	Finance
	Commit	tee.				
June 15, 2011	Finalize	the divisions a	additional fu	nding rec	ղuests.	
June 17–22, 2011	Develop	additional fu	nding requ	est recon	ımendə	itions for
	the Exec	cutive Director	's considera	tion.		
June 24, 2011	Present	additional fu	ınding reco	mmendat	ions to	TxDMV
	Finance	Committee.				
June 27, 2011	Finalize	draft version	of prelimi	nary FY	2012	operating
	budget.					
June 30, 2011	Brief Fir	nance Commit	tee on final	version o	f prelin	ninary FY
	2012 op	erating budge	t <b>.</b>			
July 1, 2011	File bac	kup for board	meeting.			

July 14, 2011	Present preliminary FY 2012 operating budget to board.
July 15-27, 2011	Revise preliminary FY 2012 operating budget as needed
July 28, 2011	File backup for August board meeting.
Aug 11, 2011	Present the recommended FY 2012 operating budget to the
	TxDMV Board.
Aug 12, 2011	Upload approved operating budget to the State of Texas
	Uniform Statewide Accounting System (USAS).

### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any industry served by the TxDMV, the public or agency programs.

### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 1.



## 82<sup>nd</sup> Legislative Session – Final Bill Report

### Final Bill Analysis

Division: Finance Date: 6/15/2011
Lead: Linda Flores

Team Members: Doretta Conrad

Bill Number: HB 4
Author: Pitts

Effective Date: June 16, 2011

☐ Does the bill require administrative rules?	▼ Does the bill create a fiscal impact?
Does the bill require technology changes?	☐ Does the bill require procedure changes?

Bill Caption: Relating to making supplemental appropriations and giving direction and adjustment authority regarding appropriations.

### **Brief Summary of the Legislation:**

HB 4 adjusts appropriations for FY 2011 by amending Chapter 1424 (SB 1) Acts of the 81<sup>st</sup> Legislature, Regular Session, 2009 (the General Appropriations Act), to reduce certain unencumbered general revenue amounts. Each agency will identify the impact to pertinent strategies and objectives.

HB 4 requires the TxDMV to reduce the ABTPA and the Motor Carrier appropriation by \$1,138,428 in FY 2011. This reduction represents a reduction of the current fiscal year appropriation of 6.9 percent for the ABTPA program and 7.23 percent for the motor carrier program.

#### **Sections of Bill Affected TxDMV:**

Section 1, Subsection (134)

### Implementation Plan

### **Summary and Scope of Implementation Activities:**

The comptroller's office provides a template to help aid in the reduction process. When instructions are received by the comptroller's office the Financial Services Division will complete the Article XII Appropriation Reduction Schedule for Appropriation Year 2011 as instructed. As of June 14, 2011 no instructions have been issued for the HB 4 reduction by the comptroller. There are 2.5 months left in FY 2011 to implement an action plan for reduction.

### **Proposed Schedule and Constraints:**

The Financial Services Division previously informed the TxDMV divisions the reductions will be taken by June 30, 2011.

### **Effects on Industry, Public and Agency Programs:**

The ABTPA program will have a reduction in funding for grants. The Motor Carrier Division (MCD) will have to reduce operating line items. Staff does not anticipate any impact on any of the regulated industry served by the TxDMV or the public.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 4.



## 82<sup>nd</sup> Legislative Session - Final Bill Report

### Final Bill Analysis

**Division:** Date: 6/7/2011 Vehicle Titles and Registration Lead: Randy Elliston **Team Members:** Tim Taylor, Monica Blackwell, Gary Gordier **Bill Number:** HB 268 **Author:** Hilderbran **Effective Date:** September 1, 2011 Does the bill require administrative rules? Does the bill create a fiscal impact? **▼** Does the bill require technology changes? ▼ Does the bill require procedure changes?

Bill Caption: Relating to the exemption from sales and use taxes, including the motor vehicle sales and use tax, for timber and certain items used in or on a farm, ranch, timber operation, or agricultural aircraft operation.

### **Brief Summary of the Legislation:**

Currently, in Texas, agricultural exemptions for sales and use tax are offered for qualified purchases. The purpose of agricultural exemptions is to reduce the cost of agriculture-related products to consumers.

HB 268 requires purchasers of certain agricultural items who claim a sale and use tax exemption to apply for an exemption number from the comptroller. Exemption numbers would be subject to renewal every four years.

Individuals that qualify for a sales tax exemption will be required to provide a tax exemption number in order to receive the exemption on a vehicle. Sales tax information is collected in the department's automated registration and titling system and on department forms. The information is used by the comptroller's office to verify the sales taxes paid. It is anticipated that existing field can be utilized in the system and on the application for a certificate of title.

#### **Sections of Bill Affected TxDMV:**

Section 1

### Implementation Plan

### **Summary and Scope of Implementation Activities:**

The Vehicle Titles and Registration Division (VTR) will, upon request from the comptroller's office, identify programming requirements for collection of the new registration number and revise the Motor Vehicle Title Manual and Form 130-U to reflect any new requirements to provide an exemption number.

Additionally, upon request from the comptroller's office, the VTR division will provide programming specifications to the Information Technology staff who will change the department's automated systems to allow for the collection of the exemption number for agriculture related registrations and update information posted on the department's web site to reflect the new requirements.

The VTR division will notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

### **Proposed Schedule and Constraints:**

Changes to the department's automated systems are dependent on the comptroller's office issuance of the new registration number to tax exempt individuals. The department has not received a request for any form or programming changes.

### **Effects on Industry, Public and Agency Programs:**

Farm and timber industry as well as individuals that qualify for a sales tax exemption will be required to provide a tax exemption number in order to receive the exemption on a vehicle.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 268.



## 82<sup>nd</sup> Legislative Session - Final Bill Report

### Final Bill Analysis

Division: Motor Carrier Date: 5/31/2011

Lead: Brett Bray

Team Members: Aline Aucoin, Angel Oliver, John Poole

Bill Number: HB 422
Author: Guillen

Effective Date: June 17, 2011

Does the bill require administrative rules? Does the bill create a fiscal impact?

Bill Caption: Relating to certain oversize and overweight permits issued by the Texas Department of Transportation.

Does the bill require procedure changes?

### **Brief Summary of the Legislation:**

■ Does the bill require technology changes?

Currently, all motor carrier oversize and overweight permits are issued by the Texas Department of Transportation. The duties and responsibilities relating to oversize and overweight permitting remained with TxDOT when TxDMV was established as a new agency in 2009.

HB 422 authorizes, but does not require, three additional permits. On September 1, 2011, SB 1420, 82<sup>nd</sup> Regular Legislative Session, transfers most of the oversized and overweight powers, duties, functions, programs, activities, and rights of action to the TxDMV. On September 1, 2011 TxDMV will have clear authority to issues the three new permits to the extent certain conditions are met.

The bill authorizes the issuance of a permit to a motor vehicle that exceeds the maximum weight limit due to the presence of an auxiliary power unit that allows the vehicle to operate on electricity or battery power. The department may issue this permit if it finds that the issuance of the permit would reduce nitrogen oxide emissions.

The bill also authorizes the Texas Transportation Commission to authorize a permit by rule. This permit would authorize a motor carrier to transport

multiple loads of the same commodity over a state highway if all of the loads are traveling between the same general locations. This permit was designed for loads such as wind turbines.

The bill further authorizes the department to issue a single trip permit to be used in conjunction with annual permits for super heavy or oversized equipment that exceeds the length limitation. The department may issue this permit if the department determines the additional length can be transported safely.

### **Sections of Bill Affecting TxDMV:**

A11

### Implementation Plan

#### **Summary and Scope of Implementation Activities:**

The MCD will establish a study/work group to evaluate auxiliary power units permits and additional length single trip permits to assist management in determining whether TxDMV will issue these types of permits. If TxDMV management decides to move forward with these permits, TxDMV will draft any necessary administrative rules.

TxDMV will closely monitor the permit to authorize the transport of multiple loads over state highway. Unless the Texas Transportation Commission authorizes this permit by rule, TxDMV will not have the authority to issue this permit.

The TxDOT MCD and TxDMV MCD will coordinate the planning and implementation requirements of this bill in conjunction with the planning phase of TxDOT MCD's transfer to TxDMV.

#### **Proposed Schedule and Constraints:**

The MCD will establish a study/work groups to evaluate permits for auxiliary power unit and additional length single trip permits by August of 2011. There are no other schedule actions for proposed rules at this time.

### **Effects on Industry, Public and Agency Programs:**

To the extent any of these permits are made available to the regulated industry, it will benefit the industry. These permits provide certain exemptions that are not currently available to the industry. The permits will arguably benefit commerce by making it easier for certain carriers to haul certain loads.

TxDMV is authorized to issue a permit to exceed the weight limit due to the presence of an auxiliary power unit that allows the vehicle to operate on electricity or battery power. In order to issue this permit, TxDMV must find that the issuance of the permit would reduce nitrogen oxide emissions. The reduction in nitrogen oxide emissions can improve air quality.

#### **Planned Stakeholder Involvement:**

TxDMV management will meet with the Texas Motor Transportation Association ("TMTA") to discuss the oversize and overweight transition (Senate Bill 1420) on a regular basis. The first meeting will likely take place during the week of July 5<sup>th</sup>. TxDMV management will also discuss the three new potential permits at the initial meeting with TMTA, and as needed during subsequent meetings. TxDMV will keep law enforcement and the registered trucking industry informed via LISTSERV. Stakeholders will be notified in the regular course of proposing rules and provided the opportunity for comment.

# Final Bill Analysis

Division: Motor Carrier Date: 6/3/2011

Lead: Brett Bray

Team Members: Linda Kirksey, Gary Gordier, Angel Oliver, John Poole

Bill Number: HB 441
Author: Guillen

Effective Date: September 1, 2011

☐ Does the bill require administrative rules? ☐ Does the bill create a fiscal impact?

✓ Does the bill require technology changes?
✓ Does the bill require procedure changes?

Bill Caption: Relating to the fees for certain commercial vehicles.

### **Brief Summary of the Legislation:**

Currently, there is an additional \$15 token trailer fee for a semitrailer being propelled by a power unit with an overweight permit.

HB 441 removes the \$15 additional token trailer fee for a semitrailer being propelled by a power unit with an overweight permit. The bill increases the base fee collected by the Motor Carrier Division from \$75 to \$90 (\$15 increase) for overweight vehicles. The resulting effect is that base fee for the overweight permit includes the token trailer fee.

### **Sections of Bill Affecting TxDMV:**

All

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

The Motor Carrier Division (MCD) will work with the General Counsel's office to draft administrative rules to change the fees related to the token trailers.

The VTR will provide programming specifications to the Information Technology staff who will change the department's Registration and Titling System (RTS) to eliminate the \$15 Additional Token Trailer fee checkbox on TTL008 screen, as well as, increase the base permit fee from \$75 to \$90; and update information posted on the department's web site to reflect the new fees.

The VTR will also notify the tax assessor-collectors and other interested parties (Texas Motor Transportation Association - TMTA) of the provisions of this bill through the registration and title bulletin, email, and letters.

MCD has responsibility for implementing the fee change by 09/01/2011; however, the transfer of the oversized and overweight to the TxDMV from TxDOT may not be complete. TxDMV will verify TxDOT MCD's implements the changes of this bill during the planning phase of its move to the TxDMV.

### **Proposed Schedule and Constraints:**

Develop programming specifications to the RTS and submit
them to the IT staff for development.
Revise registration manual and Web site.
Notify the tax assessor-collectors.
Implementation activities completed.

#### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any of the industry served by the TxDMV, the public, or agency programs.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 441.

# Final Bill Analysis

**Division:** Vehicle Titles and Registration Date: 6/6/2011

Lead: Randy Elliston

Team Members: Linda Kirksey, David Pyndus, Tammera Parr-Lamb, Gary

Gordier

Bill Number: HB 559
Author: Sheffield

**Effective Date:** September 1, 2011

✓ Does the bill require administrative rules?
✓ Does the bill create a fiscal impact?

▼ Does the bill require technology changes?

▼ Does the bill require procedure changes?

Bill Caption: Relating to Bronze Star Medal and Bronze Star Medal with Valor specialty license plates.

### **Brief Summary of the Legislation:**

HB 559 requires TxDMV to issue two new specialty license plates: the Bronze Star Medal and Bronze Star Medal with Valor. Plates issued to recipients of the Bronze Star Medal with Valor that are not personalized must also include the letter "V" as a prefix or suffix to the numerals on plates. The bill addds vehicles registered with the new Bronze Star plates to the list of registered vehicles currently exempt from payment of parking fees collected a governmental authority other than a branch of the federal government.

## **Sections of Bill Affecting TxDMV:**

Sections 1 and 2

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will work with the administration support staff to design and manufacture the new specialty license plate. Additionally, the division will provide programming specifications to the Information Technology staff who will change the department's automated systems to include the new license plates and update information posted on the department's web site to reflect the new plate designs. The General Counsel's Office will be provided information by the VTR division to draft or amend the administrative code to incorporate the new requirements of the license plate.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the provision to allow for issuance of the new license plates. VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

Rules will be proposed as early as the August Board Meeting for final adoption this fall.

#### **Effects on Industry, Public and Agency Programs:**

The department will now be able to issue specialty license plates to recipients of the Bronze Star medal and the individual will qualify for additional privileges for parking.

#### **Planned Stakeholder Involvement:**

VTR will work with the Texas Veterans Commission and the appropriate military authority in designing this new license plate.



# 82<sup>nd</sup> Legislative Session – Final Bill Report

# Final Bill Analysis

Division: Lead: Team Members:	Administration Dawn Heikkila Ann Pierce, Jeremiah K	Date: June 14, 2011 untz, Denise Pittard
Bill Number: Author: Effective Date:	HB 726 Sheffield June 17, 2011	
<ul><li>☐ Does the bill require ad</li><li>☐ Does the bill require ted</li></ul>		☐ Does the bill create a fiscal impact? ☐ Does the bill require procedure changes?

Bill Caption: Relating to the electronic distribution of information to legislators by state agencies.

# **Brief Summary of the Legislation:**

Currently, the law requires many state agencies to mail various agency publications to state legislators, resulting in an additional expense to the state.

HB 726 requires a state agency to electronically notify members of the legislature when the agency has issued a publication and inquire whether the legislator would like a copy of the publication. The bill authorizes the member to respond to the inquiry electronically and choose to receive a copy of the publication electronically. Upon request by the legislator, a printed copy of the publication can be mailed to them.

# **Sections of Bill Affecting TxDMV:**

All

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

TxDMV will need to centralize the distribution of its publication to ensure compliance with this Act. An email list containing the electronic mail addresses for each member of the legislature will need to be created and/or updated and maintained to provide notice when the agency issues a publication. TxDMV will also need to send printed reports when requested to members of the legislature.

TxDMV Administrative Services Division would be the appropriate division for the distribution of agency publications as well as receiving, sending and responding to electronic notices regarding the issuance of agency publications as archive copies of agency publications must also be file with the Texas State Library and Archive Commission.

Coordination with Government and Stakeholder Relations Division would be necessary due to the nature of the legislative contacts. Any reports sent to the legislature will be sent by the Government and Stakeholders Relations division.

## **Proposed Schedule and Constraints:**

TxDMV should already have an email listing for each member of the legislature, it may be necessary to update this list after the end of the 1<sup>st</sup> Called Special Session. Updating the email list can be completed in one week or less. Coordination of agency publications with the various divisions will require the Administrative Services Division to implement procedures to ensure agency publications are distributed in compliance with this Act.

#### **Effects on Industry, Public and Agency Programs:**

All agency program areas will need to coordinate the publication of agency reports with the Administrative Services Division to ensure compliance with this Act. Staff does not anticipate any impact on any of the industries served by the TxDMV or the public.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 726.

# 82<sup>nd</sup> Legislative Session – Final Bill Report

# Final Bill Analysis

Division: Lead: Team Members:	Vehicle Titles and Regis Randy Elliston Tim Taylor, Monica Bla		Date: 6/7/2011
Bill Number: Author: Effective Date:	HB 787 Kuempel September 1, 2011		
Does the bill require ac	lministrative rules?	Does the bill create a fi	scal impact?
□ Does the hill require to	chnology changes?	Does the hill require or	ocadura changas 2

Bill Caption: Relating to abandoned, wrecked, dismantled, discarded, and inoperable aircraft and vessels.

# **Brief Summary of the Legislation:**

Currently, a law enforcement agency has the authority to take an abandoned motor vehicle, watercraft, or outboard motor into custody and sell the property if the current owner fails to claim the property.

HB 787 amends the law by adding "aircraft" to the current abandoned motor vehicle statute, authorizing law enforcement to take abandoned aircraft into custody. HB 787 amends the definition of "junked vehicle" to include aircraft and watercraft.

**Sections of Bill Affecting TxDMV:** 

Sections 4-11

# Implementation Plan

## **Summary and Scope of Implementation Activities:**

The VTR division will revise the Motor Vehicle Title Manual and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

## **Proposed Schedule and Constraints:**

All implementation activities will need to be concluded by 9-1-2011.

## **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any industry served by the TxDMV, the public or agency programs.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 787.

# 82<sup>nd</sup> Legislative Session - Final Bill Report

# Final Bill Analysis

**Division:** Vehicle Titles and Registration Date: 6/7/2011

Lead: Randy Elliston

Team Members: Tim Taylor, Monica Blackwell, Linda Kirksey, Tammera Parr-

Lamb, Gary Gordier

**Bill Number:** HB 890 **Author:** Howard C.

Effective Date: September 1, 2011

Does the bill require administrative rules?	Does the bill create a fiscal impact?
▼ Does the bill require technology changes?	▼ Does the bill require procedure changes?

Bill Caption: Relating to certain custom vehicles and street rods.

# **Brief Summary of the Legislation:**

Currently, if an individual requests a title for a vehicle built from various major component parts (frame, body, and engine), they are issued a title with the make of the vehicle designated as "assembled". The year in which the vehicle is titled for the first time is indicated as the model year of the vehicle. If the vehicle does not resemble a vehicle ever produced it does not receive any additional classifications on the title; however, if the vehicle does represent a previously manufactured vehicle the title is marked as a replica and the year and model of the vehicle it represents are also indicated on the title.

HB 890 defines a "street rod" as a vehicle built before 1949 or built to look like a vehicle built before 1949; and "custom vehicle" as a vehicle built after 1948 but that is at least 25 years old or looks like a vehicle from that time period. The new definitions, title requirements, and inspection requirements are added to the chapter of Transportation Code covering classic vehicles and travel trailers.

HB 890 requires TxDMV to issue two new specialty license plates, Custom Vehicles and Street Rods, similar to the specialty license plates issued for a classic motor vehicle and travel trailer, as defined in Section 504.501 of the Transportation Code.

In addition, the new law requires TxDMV to create a safety inspection process for a custom vehicle and a street rod; however, it exempts these vehicles from the current safety inspection requirements. The vehicles that don't meet the definition of a custom vehicle or street rod will have different title and inspection requirements.

### **Sections of Bill Affecting TxDMV:**

A11

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will develop an inspection program and work with the general counsel's office to draft rules regarding the inspection process and documentation needed for titles to be processed under the new rules.

The VTR division will work with the administration support staff to design and manufacture the new specialty license plate. Additionally, the division will provide programming specifications to the Information Technology staff who will change the department's automated systems to include the new license plates and update information posted on the department's web site to reflect the new plate designs. The General Counsel's Office will be provided information by the VTR division to draft or amend the administrative code to incorporate the new requirements of the license plate.

The VTR division will revise the Motor Vehicle Registration Manual to reflect the two new license plates; the Motor Vehicle Title Manual relating to assembled and replica vehicle procedures; and any other applicable publications. The division will also notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

VTR began working with the Information Technology staff in June to implement the changes that become effective September 1, 2011; however, programming changes to enable issuance of the two new license plates cannot be made until the inspection program is established as inspection is a prerequisite to the plate issuance

## **Effects on Industry, Public and Agency Programs:**

The rules will have to be adopted to identify which industry will provide inspections. Owners of street rods and custom vehicles will now have their own specialty plate along with a new safety inspection process. This bill creates a new program for the agency relating to the safety inspection of this new class of vehicles. The county tax assessor-collectors will be impacted as their offices will issue the two new plates and accept evidence that the vehicle was inspected as part of the title and plate application process.

#### **Planned Stakeholder Involvement:**

The VTR division will consult with the Department of Public Safety on the creation and implementation of a safety inspection process for custom vehicles and street rods. Representatives from PATE Swap Meets will also be contacted for input.



# 82<sup>nd</sup> Legislative Session - Final Bill Report

# Final Bill Analysis

**Division:** Vehicle Titles and Registration Date: 6/14/2011

Lead: Randy Elliston

Team Members: David Pyndus, Linda Kirksey, Tammera Parr-Lamb

Bill Number: HB 1178
Author: Flynn

**Effective Date:** June 17, 2011

es the bill create a fiscal impact?
2

☐ Does the bill create a fiscal impact? ☐ Does the bill require procedure changes?

Bill Caption: Relating to employment protection for members of the state military forces and specialty license plates for female members of the armed forces.

# **Brief Summary of the Legislation:**

Currently, although state and federal laws are in place to protect members of the Texas military forces' employment and reemployment when called to state active duty in response to natural disasters and other emergencies, Texas law does not provide an avenue for processing service members' complaints of violations, nor remedies when it is determined that a public or private employer has failed to comply with the law.

HB 1178 amends Chapter 431, Government Code, defining "employee," "employer," and "political subdivision." Prohibits an employer from terminating an employee who is a member of the state military forces, and who is called to duty or training. HB 1178 allows an injured person to file a complaint under these circumstances with the Texas Workforce Commission civil rights division, establishing requirements for filing a complaint. Upon an affirmative finding, allows the Commission to award compensatory and punitive damages establishes a limit on the amount of compensatory damages that can be awarded.

In addition, HB 1178 requires TxDMV to issue a specialty license plate for female active or former members of the military. The license plates must include the legend "Woman Veteran" in red.

### **Sections of Bill Affecting TxDMV:**

Section 4

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will work with the administration support staff to design and manufacture the new specialty license plate. Additionally, the division will provide programming specifications to the Information Technology staff who will change the department's automated systems to include the new license plates and update information posted on the department's web site to reflect the new plate designs. The General Counsel's Office will be provided information by the VTR division to draft or amend the administrative code to incorporate the new requirements of the license plate.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the provision to allow for issuance of the new license plates. VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

Rules will be proposed as early as the August Board Meeting for final adoption this fall.

#### **Effects on Industry, Public and Agency Programs:**

The change would offer the public additional options for female active or former members of the military.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 1178.



# 82<sup>nd</sup> Legislative Session - Final Bill Report

# Final Bill Analysis

**Division:** Vehicle Titles and Registration Date: 6/3/2011

Lead: Randy Elliston

Team Members: Tammera Parr-Lamb, Linda Kirksey, Linda Flores, Gary

Gordier

Bill Number: HB 1301 Author: Guillen

**Effective Date:** June 17, 2011

▼ Does the bill require administrative rules?	Does the bill create a fiscal impact?
Does the bill require technology changes?	Does the bill require procedure changes?

Bill Caption: Relating to making a voluntary contribution to the Parks and Wildlife Department when registering a motor vehicle or renewing a motor vehicle registration.

### **Brief Summary of the Legislation:**

Currently, information is printed on the back of the vehicle registration form regarding how an individual can donate funds to either the Texas Veterans Commission or to Donate Life Texas. There is not a space on the front of the renewal notice for donations to any organization or agency.

HB 1301 requires TxDMV provide the ability to make a voluntary donation, to Texas Parks and Wildlife Department (TPWD) for the state parks account, of \$5 or more at the time of registration and to include space on the front of the motor vehicle registration renewal notice that allows an individual to indicate the voluntary contribution. Additionally, the bill requires TxDMV to consult with TPWD in performing the department's duties.

HB 1301 requires the county tax assessor-collector to send the contribution to the comptroller's office. If an individual makes a contribution and does not pay the full amount of the registration fee, the tax assessor-collector may credit all or a portion of the contribution to the person's registration fee. If the person who makes the contribution does not clearly designate which entity should receive their contribution from the choices available on the renewal registration

form, the county assessor-collector shall divide the contribution between the authorized entities.

SB 1635 also requires the department to add a space for a donation to the veteran's fund.

### **Sections of Bill Affecting TxDMV:**

A11

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will provide programming specifications to the Information Technology Division staff who will change the department's Registration and Title System (RTS), the Internet Vehicle Title and Registration System (IVTRS) and the Texas International Registration Program (TxIRP) interface and the renewal notice to reflect the voluntary contribution box. The Motor Carrier Division will provide programming specifications to the Information Technology staff who will change the department's Texas International Registration Program (TxIRP) interface and the renewal notice to reflect the voluntary contribution box.

The Information Technology Division staff will update information posted on the department's internet web site. The General Counsel's Office will be provided information by the MCD and VTR divisions to draft or amend the administrative code to incorporate the new procedures regarding the contributions.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

SB 1635 also requires changes to the renewal notice form. The activities related to this bill and SB 1635 will be complete at the same time.

#### **Proposed Schedule and Constraints:**

June 20, 2011	Request programming change.
Sept 15, 2011	Modify registration renewal notice
Dec 1, 2011	Notify county tax assessor-collectors
Jan 1, 2011	Implementation activities complete.

# **Effects on Industry, Public and Agency Programs:**

The changes in the bill are intended to allow the public to contribute to the Texas Parks system while registering their vehicle with the TxDMV and provide the TPWD with a funding stream to improve the parks system.

#### **Planned Stakeholder Involvement:**

The VTR division will set up meetings with TPWD to discuss the changes to the registration renewal form and to ensure compliance with provisions of the Act requiring their input.

# 82<sup>nd</sup> Legislative Session - Final Bill Report

# Final Bill Analysis

Division: Vehicle Titles and Registration

Lead: Randy Elliston

Team Members: Michael D. Brooks, Monica Blackwell

Bill Number: HB 1376
Author: Bohac

Effective Date: September 1, 2011

Does the bill require administrative rules? Does the bill create a fiscal impact?

Bill Caption: Relating to the definition of a junked vehicle for purposes of abatement of a public nuisance.

▼ Does the bill require procedure changes?

# **Brief Summary of the Legislation:**

■ Does the bill require technology changes?

HB 1376 amends and clarifies the definition of "junked vehicle" under the public nuisance law (Transportation Code 683.071) to allow a vehicle with "an expired license plate or invalid motor vehicle inspection certificate" or a vehicle that "does not display a license plate or motor vehicle inspection certificate" to meet the definition of junked vehicle.

Once a vehicle is deemed to be a junked vehicle the municipality or county takes may take possession of the vehicle and have it dismantled. The municipality or county notifies the TxDMV by submitting a form VTR 71-4 and the vehicle is removed from the title system.

**Sections of Bill Affecting TxDMV:** 

A11

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will revise the Motor Vehicle Title Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

The VTR division will send notification through the 82nd Legislative Listserv on June 30, 2011.

## **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on agency programs or any industry served by the TxDMV, who were not affected previously. The public will need to be aware of the expanded definitions of "junked" vehicle to prevent a vehicle from being deemed removed and dismantled. The public will have to ensure that both the vehicle registration and the inspection are current to prevent this occurrence.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 1376.

# 82<sup>nd</sup> Legislative Session - Final Bill Report

# Final Bill Analysis

**Division:** Vehicle Titles and Registration Date: 6/6/2011

Lead: Randy Eliston

Team Members: Wilda Won, Monica Blackwell

Bill Number: HB 1422 Author: Truitt

**Effective Date:** September 1, 2011

▼ Does the bill require administrative rules?	☐ Does the bill create a fiscal impact?
Does the bill require technology changes?	▼ Does the bill require procedure changes?

Bill Caption: Relating to the issuance of titles for certain motor vehicles that are the subject of insurance claims.

# **Brief Summary of the Legislation:**

Currently, a title must be obtained from TxDMV in order for an insurance company or salvage pool operator to dispose of a motor vehicle that is declared a total loss or has been abandoned at a salvage pool when a properly assigned title cannot be obtained from the owner or lienholder of the vehicle.

HB 1422 amends the Transportation Code relating to the issuance of titles for certain motor vehicles that are the subject of insurance claims. The bill authorizes the TxDMV to adopt rules to implement certain provisions of the bill. The bill outlines procedures for the sale of certain motor vehicles by a salvage pool operator. The bill specifies that if a motor vehicle is sold to satisfy the allowable costs incurred by a salvage pool operator and the previous owner of a motor vehicle and the lienholder could not be identified or located, then any excess proceeds from the sale of the motor vehicle will revert to the state. The proceeds will be administered by the comptroller's office and disposed of in the manner provided by Chapter 74 of the Property Code. This chapter provides that if there are surplus funds after the lien holders debts are paid that the funds be returned to the property owner or, if they cannot be located, the county.

### **Sections of Bill Affecting TxDMV:**

Sections 1-4

# Implementation Plan

## **Summary and Scope of Implementation Activities:**

The VTR division will provide programming specifications to the Information Technology staff who will update information posted on the department's web site to reflect the changes relating to salvage and nonrepairable vehicles. The General Counsel's Office will be provided information by the VTR division to draft or amend the administrative code to incorporate the provision of the bill.

The VTR division will revise the Motor Vehicle Title Manual and applicable salvage and nonrepairable title applications and forms; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

### **Proposed Schedule and Constraints:**

The VTR division will send notification through the 82 Legislative Listserv on June 30, 2011. Rules will be proposed as early as the August Board Meeting for final adoption this fall.

#### **Effects on Industry, Public and Agency Programs:**

The changes provided by this bill will improve Insurance companies and salvage pool operator's ability to obtain title on vehicles in their possession.

#### **Planned Stakeholder Involvement:**

The VTR division will seek input from representatives of the salvage, salvage auction pools, and insurance industries in July, 2011.



# 82<sup>nd</sup> Legislative Session - Final Bill Report

# Final Bill Analysis

Division: ABTPA Date: 6/20/2011
Lead: Charles Caldwell

Team Members: Julia Barnard

Bill Number: HB 1541
Author: McClendon

Effective Date: September 1, 2011

Does the bill require administrative rules?	Does the bill create a fiscal impact?
Does the bill require technology changes?	Does the bill require procedure changes?

# Bill Caption: Relating to the prevention of automobile burglary and theft.

# **Brief Summary of the Legislation:**

The Automobile Burglary and Theft Prevention Authority (ABTPA) support statewide law enforcement through auto theft reduction initiatives, education and public awareness. Currently, ABTPA is funded by a legislatively mandated annual \$1 assessment fee paid by individual automotive insurance policyholders.

HB 1541 increases the insurer assessment fee to \$2 and requires that 50 percent of fees collected are appropriated to the ABTPA. The bill requires ABTPA to:

- Develop and use standard performance measures to assess how well each grant, depending on its category, is successful in helping the ABTPA achieve its mission.
- Ensure that grants are increasing the recovery rate of stolen motor vehicles, the clearance rate of motor vehicle burglaries and thefts, and the number of people arrested for motor vehicle burglary and theft.
- Allocate funding based on the statewide number of motor vehicles stolen or the motor vehicle burglary or theft rate across the state instead of based on geographic distribution.
- Update the plan of operation each biennium and file it with the legislature on or before December 1 of each even-numbered year.

- Allow the Texas Department of Public Safety (TxDPS) to choose to administer a statewide motor vehicle registration program instead of requiring them to administer a program.
  - o If TxDPS chooses to administer the program, they will need to collect data for theft rates and types of motor vehicles enrolled in the program, the recovery rates for stolen motor vehicles enrolled, and the clearance rate for burglaries and thefts of motor vehicles enrolled.

### **Sections of Bill Affecting ABTPA:**

All

# Implementation Plan

#### **Summary and Scope of Implementation Activities:**

The ABTPA will handle all of the implementation activities related to HB 1541 within the division and through the ABTPA Board.

## **Proposed Schedule and Constraints:**

The ABTPA will handle all of the implementation activities related to HB 1541 within the division and through the ABTPA Board.

#### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any of the regulated industry served by the TxDMV, the public or agency programs.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 1541.



# 82<sup>nd</sup> Legislative Session – Final Bill Report

# Final Bill Analysis

Division: General Counsel Date: 6/14/2011

Lead: Brett Bray

**Team Members:** Lea Burnett, Jennifer Soldano, Aline Aucoin, Gail Anderson, Monica Blackwell, Linda Kirksey, Molly Cost, Bill Harbeson, Dawn Heikkila,

Linda Flores

Bill Number: HB 2017

**Author:** McClendon/Pickett/Harper-Brown

**Effective Date:** September 1, 2011

**▼** Does the bill require administrative rules?

✓ Does the bill create a fiscal impact?

**▼** Does the bill require technology changes?

**▼** Does the bill require procedure changes?

Bill Caption: Relating to the organization, governance, duties, and functions of the Texas Department of Motor Vehicles.

## **Brief Summary of the Legislation:**

HB 2017 is a priority bill of the agency that provides a clean-up of certain provisions of Chapter 2301 of the Occupations Code and various provisions of the Transportation Code that act as the enabling legislation for the agency. Some provisions were added to the Transportation Code granting authority to the TxDMV that it possessed while its operations were still part of TxDOT. This includes the authority to accept gifts and donations, and the authority to accept credit cards for goods and services. The bill also gives the Board authority to delegate certain actions related to contested cases and complaint investigations.

Additionally, the bill contains certain changes to provisions of the Transportation Code that were included in HB 2357, regarding registration and titling. These included provisions allowing titles and registrations to be processed in the closest unaffected county for a county declared a disaster area; authorizing the department to issue electronic titles; and allowing the department to require identification for persons titling and registering their vehicles. The types of identification accepted will be established by board rule.

### **Sections of Bill Affecting TxDMV:**

A11

# Implementation Plan

# **Summary and Scope of Implementation Activities:**

The VTR division will revise the Motor Vehicle Title and Registration Manuals and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

The various divisions affected by the bill will provide programming specifications to the Information Technology staff who will update information posted on the department's web site on an as needed basis.

The General Counsel's Office will seek information from the board and various divisions in order to prioritize and draft administrative rules to enact additional authority granted to the TxDMV and the Board. The rules fit generally into three categories: department procedures and operations; regulated industries; and titling and registration.

The board may consider rules relating to department procedures and operations such as: the protection of TxDMV intellectual property; the TxDMV accepting donations and gifts and to collecting fees for any goods or services sold; changing advisory committees; and the issuance of electronic licenses and regarding electronic signatures.

Additionally, the board may consider rules relating to regulated industries such as: delegation of board authority related to contested case hearings and complaint investigation; addressing the make of an ambulance or fire-fighting vehicle; changes to the Lemon Law to provide access for folks that are residents of Texas and have registered vehicles in Texas, as well as to allow access for active duty military stationed in Texas

The board may also consider rules relating to titling and registration such as: requirements for owners of motor vehicles to present identification in order to obtain a title to a motor vehicle; allowing disaster-affected counties to utilize the assistance of closely-located unaffected counties for titling and registration services; implementation of an Electronic Titling System, and parameters for electronically accepting e-documents; credit card payments and service

charges; regarding the requirement to obtain registration within thirty days of purchase or becoming a resident of Texas; applications for registration requirements and restrictions; establishing standards for uniformity and service quality for counties and dealers, as well as to conduct public service education campaigns; allowing TACs to license franchise and non-franchised dealers to title and register motor vehicles;

## **Proposed Schedule and Constraints:**

The major constraint is the time it takes to draft, propose, and adopt rules. In addition, the General Counsels Office will be short one lawyer later this year. The schedule to draft and adopt rules will be prioritized by management according to the agency and Board's operational goals. A majority of rules will not be processed until Spring 2012.

#### From VTR

June 30, 2011	Include in 82st Legislative Listserv Summary
July 1, 2011	Prepare Action Plan
August 20, 2011	TxDMV will notify the tax assessor-collectors, financial industry partners, law enforcement agencies, dealer associations, salvage industry and other interested partners of the provisions of this legislation.
August 20, 2011	A reasonable time period will be allowed to amend (or develop) and adopt administrative rules .
August 20, 2011	Update the Motor Vehicle Title and Registration Manuals; revise forms and publications; update the TxDMV Web site

### **Effects on Industry, Public and Agency Programs:**

Motor vehicle industries regulated by the TDMV will be better serviced through more efficient agency operations with the delegation of responsibility to the agency personnel. Additionally, ambulance and fire-fighting vehicle manufacturers were provided more clarification regarding the regulation of their industry on whether or not they are classified as a dealer or manufacturer.

Active-duty military personnel stationed in Texas will now be covered under the expanded scope of the Lemon Law.

The department will be able to fully utilize technology advancements by removing statutory constraints such as the requirement to submit or retain paper documents. The public will have greater opportunity to register and title their vehicles through the internet and pay for services by credit cards and other electronic payment methods. Titling and registering vehicles will be conducted through a more secure transaction because of the requirement to present identification.

During a declared emergency the public will have greater opportunity to register their vehicles in other counties or electronically. Classic vehicle owners can continue to display an old Texas license plate on their classic vehicle with appropriate approval from the department.

The department will be able to look for opportunities to streamline processes and simplify procedure through the creation of standards

#### **Planned Stakeholder Involvement:**

Stakeholders such as Texas Auto Dealers Association (TADA), Texas Independent Auto Dealers Association (TIADA), and the Tax Assessor Collectors Association (TACA) Board will be notified in the regular course of proposing rules and provided the opportunity for comment.

# 82<sup>nd</sup> Legislative Session – Final Bill Report

# Final Bill Analysis

Vehicle Titles and F	Registration	Date: 6/6/2011	
Randy Elliston			
Steve Carlson, Lind	la Kirksey		
НВ 2080			
King, Tracy			
June 17, 2011			
dministrative rules?	Does the bill cr	reate a fiscal impact?	
Does the bill require technology changes?		▼ Does the bill require procedure changes?	
	Randy Elliston Steve Carlson, Lind HB 2080 King, Tracy June 17, 2011	Steve Carlson, Linda Kirksey  HB 2080 King, Tracy June 17, 2011  dministrative rules?  Does the bill of	

Bill Caption: Relating to certification of a person as eligible for disabled parking privileges.

### **Brief Summary of the Legislation:**

Under current law a physician assistant may sign an application for the use of a disabled parking placard in counties with a population of less than 125,000.

HB 2080 removes the population restriction and allows a physician assistant to sign an application for a disabled placard in all counties in the State.

**Sections of Bill Affecting TxDMV:** 

All

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will provide programming specifications to the Information Technology staff who will update the department's web site to reflect the changes relating to disable persons parking placards forms and publications.

The VTR division will revise the Motor Vehicle Registration Manual, the application for Disabled Person Placard and/or License Plate (Form VTR 214), and other publications concerning license plates and parking placards or The VTR division will also notify county tax assessordisabled persons. collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

## **Proposed Schedule and Constraints:**

The VTR division will modify Form VTR-214 and update the department website by June 29, 2011. The VTR division will sent notification through a registration and title bulletin on June 20, 2011 and through the 82nd Legislative Listserve on June 30, 2011.

### **Effects on Industry, Public and Agency Programs:**

The changes from HB 2080 will make it easier for anyone in the state that qualifies for a disabled parking placard to complete the application because they can have it signed by a physician assistant rather than having to wait for a doctor.

#### Planned Stakeholder Involvement:

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 2080.

# 82<sup>nd</sup> Legislative Session – Final Bill Report

# Final Bill Analysis

**Division:** Vehicle Titles and Registration **Date:** June 6, 2011

Lead: Randy Elliston

Team Members: Jennifer Soldano, Linda Kirksey, Monica Blackwell, Bill

Harbeson, Molly Cost, Gary Gordier, Jeremiah Kuntz

Bill Number: HB 2357
Author: Pickett

**Effective Date:** The bill has three implementation dates:

September 1, 2011January 1, 2012September 1, 2014

**▼** Does the bill require administrative rules?

**▼** Does the bill create a fiscal impact?

**▼** Does the bill require technology changes?

**▼** Does the bill require procedure changes?

Bill Caption: Relating to motor vehicles; providing penalties.

#### **Brief Summary of the Legislation:**

HB 2357 reorganizes and aligns title and registration statutes under Chapters: 501 (titles), 502 (registration), 504 (plates), and 520 (miscellaneous). The bill provides TxDMV with the statutory authorization needed to more fully utilize technology, to accept modern forms of payment, and to move forward with modern processes by removing statutory language tied to outdated technology, payment methods/physical payment, and paper documents.

The reorganization standardizes and moves definitions to one location for simplicity and uniformity. The bill also provides authorization for electronic titles, fleet registration for trailers, the requirement to present identification for title or registration application, cancellation or rescission of a title for a new vehicle (when all parties agree by affidavit to rescind the sale of the vehicle). HB 2357 modifies the statute covering the specialty license plate marketing vendor contract, allows the department to establish standards for service

quality and other related standards and enter into an agreement with county assessor-collectors to facilitate the processing of some aspects of registration and title transactions, and allows the department to impose a civil penalty if a salvage vehicle licensee violates a provision under the Occupations Code or rule filed in accordance with the Occupations Code.

In addition, HB 2357 instructs the department to conduct a study, in conjunction with the Department of Public Safety, regarding recommendations for the consolidation of shared records and information to be completed by September 1, 2012.

#### **Sections affected:**

A11

# Implementation Plan

#### **Summary and Scope of Implementation Activities:**

Some provisions of HB 2357 also appear in other bills which require an earlier implementation date and therefore will be described in the bill analysis for the other bills listed: registration becomes invalid when a vehicle is sold or transferred to a dealer requiring the collection of 12 months of registration (found in SB 1057), requirement to present identification at the time of registration or title application (found in HB 2017), creation of a new specialty plate for the surviving spouse of a disabled veteran (found in HB 3580), and the ability for a neighboring non-affected county to process registration and titles for a county declared a disaster area (found in HB 2017). Enabling language for future technology capabilities such as electronic title and payment methods can also be found in HB 2017.

The Vehicle Titles and Registration Division (VTR) will work with county partners and industry as well as other divisions within the TxDMV to implement the provisions of HB 2357 that become effective September 1, 2011.

Necessary programming changes will be conveyed to Administration Division's Information Technology staff to ensure that old Texas license plates can continue to be used to classic vehicles and to enable the entry of identification for registrations processed online.

VTR will continue to work with Information Technology staff by providing business requirements needed to implement January 1, 2012, provisions of the bill such as: the issuance of fleet registration to trailers and the subsequent

update requirements for the motor vehicle registration record as well as the assessment requirements for late title transfer penalties.

The General Counsel's Office will be provided information by the Motor Vehicle and Enforcement (ENF) divisions to draft or amend the administrative code to incorporate the new administrative penalty provisions related to the salvage industry.

VTR will update manuals, forms and publications. VTR will work with the department's General Counsel Office to write or amend administrative rules.

VTR will work with the specialty plate marketing vendor and with specialty plate sponsor organizations on implementation of changes to the specialty plate program.

VTR in conjunction with the Government and Stakeholders Division will conduct a study in conjunction with the Department of Public Safety, regarding recommendations for the consolidation of shared records and information to be completed by September 1, 2012.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the provision to allow old Texas license plates can continue to be used to classic vehicles and to enable the entry of identification for registrations processed online. working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

Rules will be proposed as early as the August Board Meeting for final adoption this fall.

Programming changes will be needed to implement the provision to issue fleet registration to trailers and to allow registration credit in the fleet program and the provision which changes the late title transfer penalties. VTR will begin working with Information Technology staff in July to implement the changes that become effective January 1, 2012.

Two additional rule actions will be proposed in October and November for final adoption in early 2012 to align title and registration rules due to the statute reorganization portion of HB 2357.

VTR in conjunction with the Government and Stakeholders Division will begin meetings with the Department of Public Safety in July to study the consolidation of shared records and information. The final report will be presented to the board at the August 2012 board meeting. The study is due by September 1, 2012.

### **Effects on Industry, Public and Agency Programs:**

The department will now be able to provide fleet registration, which can be issued for multiple years, for trailers and individuals, companies, including the trucking industry, will be able to purchase fleet registration for their trailers.

The department will be able to fully utilize technology advancements by removing statutory constraints such as the requirement to submit or retain paper documents. The public will have greater opportunity to register and title their vehicles through the internet and pay for services by credit cards and other electronic payment methods. Titling and registering vehicles will be conducted through a more secure transaction because of the requirement to present identification.

During a declared emergency the public will have greater opportunity to register their vehicles in other counties or electronically. Classic vehicle owners can continue to display an old Texas license plate on their classic vehicle with appropriate approval from the department.

The department will be able to look for opportunities to streamline processes and simplify procedure through the creation of standards.

#### Planned Stakeholder Involvement:

VTR and MVD will work with the following stakeholders during the implementation process:

- County tax assessor-collectors on items affecting the counties such as identification requirements
- Texas Automobile Dealer Association (TADA)
- Texas Independent Automobile Dealers Association (TIADA)
- Texas Motor Transportation Association (TMTA)
- Salvage and Insurance industries
- Law enforcement
- The department would host forum(s) of the specialty license plate state agency sponsors and the specialty license plate marketing vendor.



# 82<sup>nd</sup> Legislative Session – Final Bill Report

# Final Bill Analysis

Division: Vehicle Titles and Registration Date: 6/6/2011

Lead: Randy Elliston

Team Members: Michael D. Brooks, Monica Blackwell, Jennifer Soldono

Bill Number: HB 2575 Author: Phillips

**Effective Date:** September 1, 2011

<b>▼</b> Does the bill require administrative rules?	☐ Does the bill create a fiscal impact?
□ Does the bill require technology changes?	<b>☑</b> Does the bill require procedure changes?

Bill Caption: Relating to the Texas Department of Motor Vehicles' electronic lien system.

# **Brief Summary of the Legislation:**

Currently, TxDMV is required to establish an electronic lien system that can perfect, assign, discharge, and cancel security interests in motor vehicle titles electronically; however, participation is voluntary. The electronic lien system is currently running well, utilizing vendors that lienholders use as electronic intermediaries with the system; however, only small fraction of the liens that could be handled by the system each year are being executed through this system.

HB 2575 allows TxDMV to establish categories of lienholders that may participate in the department's Electronic Lien and Title (ELT) program and requires participation in the system, while adjusting the existing program.

HB 2575 prohibits TxDMV from requiring a depository institution, as defined by Section 180.002, Finance Code, to participate in the system if the department issues fewer than 100 notifications of security interests in motor vehicles to the depository institution during a calendar year, or issues fewer than 200 notifications between September 1, 2011 and December 31, 2011, or should the depository institution be exempt in 2011, issues fewer than 200 notifications during 2012. In addition, the bill prohibits TxDMV from

prohibiting a lienholder from using an intermediary to access the system or requiring a lienholder to use an intermediary to access the system.

### **Sections of Bill Affecting TxDMV:**

A11

# Implementation Plan

# **Summary and Scope of Implementation Activities:**

The VTR division will notify County Tax Assessor-Collectors and other interested parties of provisions of this legislation through the registration and title bulletin.

## **Proposed Schedule and Constraints:**

The VTR division will send notification through the 82nd Legislative Listserv on June 30, 2011.

#### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any additional impacts on any of the industry served by the TxDMV, the public or agency programs.

#### **Planned Stakeholder Involvement:**

The VTR division will create a working group with financial institutes (lien holders) to seek input and interests in expanding the current electronic lien system.



# 82<sup>nd</sup> Legislative Session – Final Bill Report

# Final Bill Analysis

**Division:** Motor Vehicle **Date:** 6/13/2011

Lead: Molly Cost

Team Members: Bill Harbeson, Michelle Lingo, Katie Andrews, Angela

Gibson, Howard Hickman, Jack Woods

Bill Number: HB 2872

Author: Orr

**Effective Date:** June 17, 2011

Does the bill require administrative rules?	☐ Does the bill create a fiscal impact?
∇ Does the bill require technology changes?	▼ Does the bill require procedure changes?

Bill Caption: Relating to restrictions on the sale of certain motor vehicles at vehicle shows or exhibitions

# **Brief Summary of the Legislation:**

Under current Blue Law, Transportation Code Section 728.002 prohibits a person from selling, offering to sell, or compelling an employee to sell or offer to sell a motor vehicle on consecutive days of Saturday and Sunday.

HB 2872 amends current law relating to restrictions on the sale of certain motor vehicles at vehicle shows or exhibitions. HB 2872 allows participants at approved RV and tow truck shows, as described by Occupations Code Section 2301.358, to quote prices for a motor home, tow truck, or towable recreational vehicle on consecutive days of Saturday and Sunday.

# **Sections of Bill Affecting TxDMV:**

A11

# Implementation Plan

### **Summary and Scope of Implementation Activities:**

The Motor Vehicle Division (MVD) will revise the show application forms; modify DMV's templates and publications regarding shows and exhibitions; conduct staff training, and provide licensees information and instruction on the new policies and procedures. Additionally, MVD will provide programming specifications to the Information Technology staff who will update information posted on the department's web site.

The General Counsel's Office will be provided draft rules by MVD division to amend the administrative code to implement the new provisions allowing dealers to quote prices at RV and tow truck shows.

### **Proposed Schedule and Constraints:**

HB 2872 went into effect on June 17, 2011, and will be implemented immediately. MVD will initiate rulemaking to amend 43 TAC §215.112. There is not a conflict between HB 2872 and 43 TAC §215.112; therefore rulemaking is not required immediately. However, forms and publications will be updated as soon as possible prior to the rule amendment.

# **Proposed Timeline:**

July-Aug, 2011	Form changes, staff training, modification to TxDMV's website
Jan 2012	Draft proposed rules and circulate to management, executive Director, and Chairman
April 12, 2012	Board meeting for consideration of proposed rules
April 27, 2012	Proposed rules published in the <i>Texas Register</i> . Public comment period begins.
May 28, 2012	30-day public comment period ends; no hearing anticipated
Sept 13, 2012	Final rules presented to the TxDMV Board for adoption.
Sept 28, 2012	Final rules published in the Texas Register.

# **Effects on Industry, Public and Agency Programs:**

MVD anticipates that dealers of motor homes and tow trucks will be affected because these dealers have been prohibited until now from selling or offering to

sell these motor vehicles on a consecutive Saturday and Sunday. Quoting prices has been held by the Department to be an offer to sell. The public will now be able to receive price quotes while attending RV and tow truck shows. Motor home dealers and tow truck dealers will be allowed to quote prices for these types of motor vehicles on consecutive days of Saturday and Sunday. Dealers of towable recreational vehicles will continue to be allowed to sell or offer for sale towable recreational vehicles on consecutive days of Saturday and Sunday.

#### **Planned Stakeholder Involvement:**

MVD will contact stakeholders in accordance with standard procedures for the public requirements during the rulemaking process. However, MVD does not anticipate the need for a public hearing on the rulemaking.

# Final Bill Analysis

Division:	Vehicle Titles and Regis	stration	Date: 6/6/2011	
Lead:	Randy Elliston			
Team Members:	Steve Carlson, Linda Kirksey, Gary Gordier			
Bill Number: Author:	HB 2904 Zerwas			
Effective Date:	September 1, 2011			
Does the bill require ac	lministrative rules?	Does the bill create a fi	scal impact?	
<b>▼</b> Does the bill require technology changes?		Does the bill require pr	ocedure changes?	

Bill Caption: Relating to the administration of the Glenda Dawson Donate Life-Texas Registry.

# **Brief Summary of the Legislation:**

Currently, the county tax-assessor collector may collect an optional \$1.00 fee from an individual registering their motor vehicle who wishes to donate to the "Donor Education, Awareness, and Registry Program of Texas".

HB 2904 changes the name of the program to the "Glenda Dawson Donate Life-Texas Registry".

**Sections of Bill Affecting TxDMV:** 

Section 1-8

#### **Summary and Scope of Implementation Activities:**

The VTR division will provide programming specifications to the Information Technology staff who will change the department's automated systems to reflect the name change and update the link to the donate life website.

The VTR division will revise the Motor Vehicle Registration Manual and registration renewal notice; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

#### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any of the regulated industry served by the TxDMV, the public or agency programs.

#### **Planned Stakeholder Involvement:**

The VTR division will contact the Glenda Dawson Donate Life-Texas Registry to ensure that the TxDMV has the correct information to include on the website and renewal notice to comply with the provisions of this bill.

# **Final Bill Analysis**

Division: Lead: Team Members:	Vehicle Titles and Regi Randy Elliston Richard Eaton, Linda I		Date: 6/7/2011
Bill Number: Author: Effective Date:	HB 2928 Farias September 1, 2011		
☐ Does the bill require a	lministrative rules?	☐ Does the bill create a fi	iscal impact?
Does the bill require te	chnology changes?	Does the bill require pr	ocedure changes?

Bill Caption: Relating to privileged parking for recipients of the Silver Star Medal.

## **Brief Summary of the Legislation:**

Currently, TxDMV offers numerous military plates to qualifying individuals registering their motor vehicles in Texas. The Silver Star Medal is the third-highest military decoration that can be awarded to a member of any branch of the United States Armed Forces for valor.

HB 2928 amends current law relating to privileged parking for recipients of the Silver Star Medal. The bill gives Silver Star specialty license plate owners the same parking privileges, being exempt from a parking meter charged by a governmental authority other than a branch of the federal government, as those issued Medal of Honor and other recognition plates in other categories (i.e. Pearl Harbor and Purple Heart).

## **Sections of Bill Affecting TxDMV:**

All

#### **Summary and Scope of Implementation Activities:**

The VTR division will provide programming specifications to the Information Technology staff who will update information posted on the department's web site relating to military plates and parking privileges.

The VTR division will also revise the Motor Vehicle Registration Manual and relevant forms and publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

### **Proposed Schedule and Constraints:**

All business components will be in place by September 1, 2011.

#### **Effects on Industry, Public and Agency Programs:**

HB 2928 will provides Silver Star Medal License Plates owners the same parking privileges afforded to other meritorious service plates.

#### Planned Stakeholder Involvement:

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 2928.



# Final Bill Analysis

Division: Vehicle Titles and Registration

Lead: Randy Elliston

Team Members: Anita Orr, Linda Kirksey

Bill Number: HB 2960
Author: Darby

Effective Date: June 17, 2011

Does the bill require administrative rules? Does the bill create a fiscal impact?

Bill Caption: Relating to vehicles used for the purpose of participating in equine activities or attending livestock shows.

▼ Does the bill require procedure changes?

# **Brief Summary of the Legislation:**

■ Does the bill require technology changes?

Under current law a person may purchase a farm plate for a trailer by paying a \$5 license plate fee in lieu of the registration fee, and a farm vehicle for 50 percent of the registration fee. Farm trailers may be used to transport agricultural products or livestock to market or storage and farm supplies. The vehicle may be used to attend church or school, visit a doctor, or for other necessities of the home or family.

HB 2960 adds a new permitted use of the vehicles and trailers registered with farm license plates allowing for transport of the owner's family and livestock to participate in equine activities or attending livestock shows.

# **Sections of Bill Affecting TxDMV:**

A11

#### **Summary and Scope of Implementation Activities:**

The VTR division will revise the application for farm license plates, and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

The VTR Division sent notification and an updated farm license application to the county tax assessor collectors on June 20, 2011 through the registration and title bulletin.

### **Effects on Industry, Public and Agency Programs:**

Individuals that qualify for farm license plates on vehicles and trailers will be permitted to use the vehicle to attend equine activities or attend livestock shows.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 2960.

# Final Bill Analysis

Division: Vehicle Titles and Registration

Lead: Randy Elliston

Team Members: Wilda Won, Linda Kirksey

Bill Number: HB 3272
Author: Burman

Effective Date: September 1, 2011

Bill Caption: Relating to the low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program.

Does the bill create a fiscal impact?

Does the bill require procedure changes?

# **Brief Summary of the Legislation:**

Does the bill require administrative rules?

■ Does the bill require technology changes?

Currently, the low-income vehicle repair assistance, retrofit and accelerated vehicle retirement program reduces on-road mobile sources emissions in Texas' regions that have been designated as air quality non-attainment areas according to the federal Clean Air Act, as well as in areas that agree to participate in an early action program. Local governments provide assistance to low-income vehicle owners to repair or replace high-emitting cars and trucks.

H.B. 3272 amends the statutes by defining electric and natural gas vehicles, as well as redefining hybrid vehicles. In order for a vehicle to be eligible to participate in a low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program, the bill requires the vehicle is capable of being operated, the vehicle registration is current and reflects that the vehicle has been registered in the county implementing the program for at least 12 of the 15 months preceding the application for participation in the program; the vehicle meets the county commissioners' court of the county administering the program; and the vehicle repair is done by a repair facility recognized by the Department of Public Safety.

HB 3272 adds further eligibility criteria for hybrid, electric or natural gas vehicles, as well as requires a replacement vehicle to meet certain requirements, including having a maximum odometer limit of not more than 70,000 miles. In addition, the bill requires a TCEQ-industry partnership be established for scrapped and recycled vehicle regulation.

#### **Sections of Bill Affecting TxDMV:**

Section 2

# Implementation Plan

#### **Summary and Scope of Implementation Activities:**

The VTR division will notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

The VTR division will send notification through the registration and title bulletin June 30, 2011.

### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any of the regulated industry or the public served by the TxDMV, or agency programs.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 3272.

# Final Bill Analysis

**Division:** Vehicle Titles and Registration Date: 6/8/2011

Lead: Randy Elliston

Team Members: Linda Kirksey, David Pyndus, Tammera Parr-Lamb, Gary

Gordier

Bill Number: HB 3580
Author: Frullo

**Effective Date:** September 1, 2011

Does the bill require administrative rules?	☐ Does the bill create a fiscal impact?
<b>■</b> Does the bill require technology changes?	Does the hill require procedure change

Bill Caption: Relating to the issuance of specialty license plates for surviving spouses of disabled veterans of the United States armed forces.

#### **Brief Summary of the Legislation:**

Currently, disabled veterans may be issued disabled veteran license plates, as well as disabled parking placards. The criteria for receiving the plates and parking privileges does not provide for the plates to be retained by the surviving spouse of the disabled veteran on the occasion of the veteran's passing away.

HB 3580 amends Section 504.317, Transportation Code by adding a definition for a surviving spouse (for a disabled veteran). The bill requires TxDMV to issue specialty license plates for surviving spouses of disabled veterans of the United States armed forces. The plate does not afford the spouse with the same parking privileges afforded to owners of Disabled Veteran License Plates. Regular registration fees will be collected.

# **Sections of Bill Affecting TxDMV:**

A11

#### **Summary and Scope of Implementation Activities:**

The VTR division will work with the administration support staff to design and manufacture the new specialty license plate. Additionally, the division will provide programming specifications to the Information Technology staff who will change the department's automated systems to include the new license plates and update information posted on the department's web site to reflect the new plate designs. The General Counsel's Office will be provided information by the VTR division to draft or amend the administrative code to incorporate the new requirements of the license plate.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the provision to allow for issuance of the two new license plates. VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

#### **Effects on Industry, Public and Agency Programs:**

The department receives regular requests from individuals who wished to retain the Disabled Veteran License Plates their spouses had received. The department will now be able to issue specialty license plates to spouses of disabled veterans.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 3580.

### Final Bill Analysis

Division: Administration Date: 6/15/2011

Lead: Dawn Heikkila

Team Members: Dawn Heikkila, Jeremiah Kuntz, Randy Elliston, Gary

Gordier

Bill Number: SB 197
Author: West

**Effective Date:** September 1, 2011

Does the bill require administrative rules?	Does the bill create a fiscal impact?
☐ Does the bill require technology changes?	Does the bill require procedure changes

Bill Caption: Relating to the compulsory inspection of motor vehicles; providing penalties.

#### **Brief Summary of the Legislation:**

Currently, automotive emissions enforcement efforts in north central Texas have uncovered evidence of pervasive fraud among inspection stations in the region. The primary purpose for passage of SB 197 is to strengthen accountability and oversight of vehicle inspection stations and vehicle inspectors, requiring a vehicle inspection station to post bond as a condition of certification.

SB 197 amends various sections of the Transportation Code related to motor vehicle inspection stations and motor vehicle inspectors. Section 7 of this bill requires the Department of Public Safety (DPS) and the Texas Department of Motor Vehicles TxDMV) to conduct a study regarding the feasibility of and best practices for using an electronic motor vehicle inspection system to consolidate the inspection and registration of motor vehicle in this state. DPS and TxDMV are required to report the results of this study no later than December 1, 2012 to the standing committees of the Senate and House of Representatives that have primary jurisdiction over transportation.

#### **Sections of Bill Affecting TxDMV:**

Section 7

### **Summary and Scope of Implementation Activities:**

The Administration, Vehicle Titles and Registration and the Government and Stakeholder Relations Divisions will conduct a study in conjunction with the Department of Public Safety, regarding recommendations for the consolidation of shared records and information to be completed by December 1, 2012.

TxDMV will need to coordinate with DPS to develop a comprehensive plan to comply with the study and reporting requirements of this act. The study should consider the Business Process Analysis (BPA) currently underway at the TxDMV and the resulting process modernization efforts. Additionally, the resulting technology solution developed to support the agency's modernization efforts would need to incorporate the requirements of combining the inspection and registration of motor vehicle in this state. Access to as well as the responsibility for maintaining and updating the database containing the combined inspection/registration information would need to be determined as well.

#### **Proposed Schedule and Constraints:**

The staff members of the team will contact the appropriate staff at the Texas Department of Public Safety to coordinate a schedule no later than January 1, 2012. The team will create a scope of work for the study by March 2012. The report will be completed and presented to the board for final approval at the November 2012 board meeting. The report is due to the legislature no later than December 1, 2012.

#### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any of the industry served by the TxDMV, the public or agency programs.

#### **Planned Stakeholder Involvement:**

The Government and Stakeholder Relations division will contact Law Enforcement and County Tax Office representatives to seek input into the feasibility of combining vehicle inspection and registration.



# Final Bill Analysis

Division: Lead:	Vehicle Titles and Regis Randy Elliston	stration	Date: 6/3/2011
	3	I ! 1 - IZ!1	0 01:
Team Members:	Richard Eaton, Anita O	rr, Linda Kirksey,	Gary Gordier
Bill Number:	SB 257		
Author:	Carona		
Effective Date:	September 1, 2011		
Does the bill require ac	lministrative rules?	Does the bill create a fi	scal impact?
Does the hill require te	chnology changes?	Does the hill require nr	ncedure changes?

Bill Caption: Relating to the issuance of "Choose Life" license plates and the creation of the Choose Life account in the general revenue fund.

# **Brief Summary of the Legislation:**

SB 257 requires TxDMV to issue a new specialty license plate: "Choose Life." The bill requires TxDMV to design the license plate in consultation with the attorney general. The fee for the specialty license plate is \$30. Of this fee, \$22 is to be deposited in the state treasury to the credit of the Choose Life account; \$7.50 will be deposited to the credit of the state highway fund; and \$.50 to the county. The bill requires the attorney general to set rules and administer the Choose Life account.

**Sections of Bill Affecting TxDMV:** 

All

#### **Summary and Scope of Implementation Activities:**

The VTR division will work with the administration support staff to design and manufacture the new specialty license plate. Additionally, the division will provide programming specifications to the Information Technology staff who will change the department's automated systems to include the new license plate and update information posted on the department's web site to reflect the new plate design.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the provision to allow for issuance of the new license plates. VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

#### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any of the regulated industry or the public served by the TxDMV, or agency programs.

#### **Planned Stakeholder Involvement:**

The VTR division will contact the attorney general's office regarding the design of the license plate to ensure compliant with the bills provisions.



# Final Bill Analysis

Division: Vehicle Titles and Registration Date: 6/7/2011

Lead: Randy Elliston

Team Members: Tim Taylor, Monica Blackwell

**Bill Number:** SB 266 **Author:** Williams

Effective Date: September 1, 2011

Does the bill require administrative rules?	Does the bill create a fiscal impact?
Does the bill require technology changes?	Does the bill require procedure changes?

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

# **Brief Summary of the Legislation:**

Under current law a mechanic may apply for and receive a mechanics lien for a vehicle that had repairs complete that were not paid for in full. In order to receive the lien the mechanic is required to submit the applicable forms to the county tax assessor collector. The county tax assessor and the mechanic are then required to provide notice to all interested parties that the lien has been placed on the vehicle. During the 81st Regular Legislative Session, SB 543 passed and due to the effective date of the bill a loop hole was created. Counties began to notice that many lien applications were being submitted with work dates prior to the effective date of the SB 543, 81st Regular Legislative Session, thereby avoiding the notification requirements.

SB 266 requires that the person filing a mechanic's lien, as well as, the county tax assessor's office send out notice to all parties with an interest in the vehicle regardless of the date on which the charges related to the lien were incurred.

**Sections of Bill Affecting TxDMV:** 

A11

#### **Summary and Scope of Implementation Activities:**

The Vehicle Titles and Registration division (VTR) will notify county tax assessor-collectors and other affected partners of the changes to the mechanics lien process through the registration and title bulletin. The division will also revise the Motor Vehicle Title Manual and the VTR 265-M & VTR 265-FM forms to reflect the new process and requirements for notifying interested parties of a mechanic lien.

#### **Proposed Schedule and Constraints:**

All implementation activities should be completed by September 1, 2011.

#### **Effects on Industry, Public and Agency Programs:**

Any business owner who wishes to place a lien on a motor vehicle must learn and adhere to the notification requirements for this type of lien. Motor vehicle owners with liens placed upon their vehicles will have a greater chance of receiving lien notification. The will also simplify and clarify the process for filing this type of lien for the county tax assessor collectors and the TxDMV.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 266.



# **Final Bill Analysis**

Division: Lead: Team Members:	Vehicle Titles and Regis Randy Elliston Michael Brooks, Monica		Date: 6/6/2011
Bill Number: Author: Effective Date:	SB 267 Williams June 17, 2011		
☐ Does the bill require a	lministrative rules?	☐ Does the bill create a fi	scal impact?
Does the bill require te	chnology changes?	Does the bill require pr	ocedure changes?

Bill Caption: Relating to a joint statement regarding the transfer of a motor vehicle as the result of a gift.

# **Brief Summary of the Legislation:**

Current law requires a tax of \$10 is imposed on the recipient of a gift of a motor vehicle and applies only if the person receiving the motor vehicle receives it from the person's spouse; parent or stepparent; grandparent or grandchild; child or stepchild; sibling; or guardian; or a decedent's estate; or is listed as a federally exempt 501(c)(3) non-profit organization.

SB 267 requires that one of the parties involved in the "gifting" of a vehicle must submit a notarized Gift Affidavit to the local tax office. That person must also present a valid form of identification. The bill prohibits a vehicle title service company from submitting these forms.

**Sections of Bill Affecting TxDMV:** 

A11

## **Summary and Scope of Implementation Activities:**

The Comptroller of Public Accounts is the agency responsible for the collection of vehicle sales taxes. The Vehicle Titles and Registration division will notify the County Tax Assessor Collectors that a gift affidavit and photo identification are required for a person to transfer a vehicle as a gift.

The VTR division will provide comments during the comptroller's rule making process to address concerns over the in person requirements of the bill and the effects it may have to certain groups of individuals.

#### **Proposed Schedule and Constraints:**

The VTR division will notified the county tax assessors on through the 82<sup>nd</sup> Legislative Listserve on June 30, 2011.

#### **Effects on Industry, Public and Agency Programs:**

Active duty military and their families; persons with handicaps and their families; and students and their families may find it difficult to appear in person to transfer ownership of a vehicle at the tax assessor-collectors office.

#### Planned Stakeholder Involvement:

Staff does not anticipate the need for stakeholder involvement to implement the provisions of SB 267.



### Final Bill Analysis

Division: Administration Date: 6/15/2011

Lead: Dawn Heikkila

Team Members: Ann Pierce

Bill Number: SB 321

Author: Hegar

Effective Date: September 1, 2011

Does the bill require administrative rules?	☐ Does the bill create a fiscal impact?
Does the bill require technology changes?	Does the bill require procedure changes?

Bill Caption: Relating to an employee's transportation and storage of certain firearms or ammunition while on certain property owned or controlled by the employee's employer.

#### **Brief Summary of the Legislation:**

Current law allows a person who is authorized to possess firearms or ammunition to transport them in the person's motor vehicle. Certain companies in Texas have adopted a no-firearms policy that extends beyond the actual workplace to employee parking lots.

SB 321 amends Chapter 52 of the Labor Code to prohibit private or public employers from prohibiting their employees who hold a license to carry a concealed handgun and lawfully possesses a firearm or ammunition from transporting or storing the firearm in a locked, privately owned motor vehicle in a parking area the employer provides for employees.

SB 321 requires employees holding a concealed handgun license to comply with existing state and federal laws, rules and regulations. Employees may not transport or store firearms or ammunition in employer owned vehicles, unless required to do so by their employer as part of their official duties. The bill also provides immunity from civil liability against an action for personal injury, death, property damage or any other damages resulting from involving a firearm the employer is required to allow on their property, except in cases of

gross negligence. This Act does not limit or alter the personal liability of an individual who causes harm or injury by using a firearm or ammunition.

#### **Sections of Bill Affecting TxDMV:**

A11

# Implementation Plan

#### **Summary and Scope of Implementation Activities:**

TxDMV will need to update its HR Policies, currently TxDMV HR Manual, Chapter 8 Conduct, Section 6 Miscellaneous Prohibited Conduct states "Employees will not carry or keep firearms or any other weapons on department property or at any time while working for or representing the department." TxDMV employees will have to be educated on the meaning and restrictions of this new provision – employees must have a concealed handgun license and the firearm/ammunition must be locked in their privately owned vehicle.

#### **Proposed Schedule and Constraints:**

TxDMV currently occupies property and facilities owned and/or maintained by the Texas Department of Transportation. The implementation of this provision would have to be coordinated with TxDOT.

#### **Effects on Industry, Public and Agency Programs:**

TxDMV staff would have to be educated on the meaning and restrictions of this new provision. Staff does not anticipate any impact on any of the regulated industry or the public served by the TxDMV

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 321.



# Final Bill Analysis

Division: Vehicle Titles and Registration

Lead: Randy Elliston

Team Members: David Pyndus, Linda Kirksey, Gary Gordier

Bill Number: SB 461
Author: Williams

Effective Date: September 1, 2011

□ Does the bill require administrative rules? □ Does the bill create a fiscal impact?

Bill Caption: Relating to the design and issuance of license plates for United States paratroopers.

▼ Does the bill require procedure changes?

# **Brief Summary of the Legislation:**

**▼** Does the bill require technology changes?

Currently, TxDMV issues specialty license plates for active and retired members of the US armed services who have been assigned to an airborne unit or completed Airborne Department of the United States Army Infantry School or participated in at least one combat parachute jump. There is no fee for the issuance of the plate and the individual is still required to pay the regular registration fee for the type of vehicle.

SB 461 requires TxDMV to change the legend of the plate from "Airborne Parachutist" to "U.S. Paratrooper." There is no other change to the plate or issuance criteria.

**Sections of Bill Affecting TxDMV:** 

All

#### **Summary and Scope of Implementation Activities:**

The VTR division will work with the administration support staff to re-design and manufacture the specialty license plate. Additionally, the division will provide programming specifications to the Information Technology staff who will change the department's automated systems to include the re-designed license plate and update information posted on the department's web site to reflect the re-designed plate. The General Counsel's Office will be provided information by the VTR division to draft or amend the administrative code to reflect the changes to the license plate.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the name change of the license plate. VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

Rules will be proposed as early as the August Board Meeting for final adoption this fall.

#### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate an impact on any industry served by the TxDMV, the public or agency programs.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of SB 461.



# Final Bill Analysis

**Division:** Motor Vehicle **Date:** 6/13/2011

Lead: Molly Cost

Team Members: Michelle Lingo, Katie Andrews, Angela Gibson, Lea Burnett

Bill Number: SB 529
Author: Huffman

**Effective Date:** September 1, 2011

✓ Does the bill require administrative rules?
✓ Does the bill create a fiscal impact?

✓ Does the bill require technology changes?
✓ Does the bill require procedure changes?

Bill Caption: Relating to the regulation of motor vehicle dealers, manufacturers, distributors, and representatives.

# **Brief Summary of the Legislation:**

Currently, Chapter 2301, Occupations Code, provides general provisions for the sale or lease of motor vehicles, in order to ensure a sound system of distributing and selling motor vehicles through licensing and regulating manufacturers, distributors, converters, and dealers, and to prevent fraud and unfair business practices.

SB 529 expands franchise protection enjoyed by dealers and addresses the manufacturer or distributor's evaluation criteria and approval of transfer of a franchised dealership; delineation of reimbursement or repurchase of items upon franchise termination; calculation of payment by a manufacturer or distributor to a dealer in the event of termination or discontinuation; unreasonableness of a manufacturer, distributor, or representative to require a franchised dealer to construct or substantially remodel within 10 years of construction completion; inequitable treatment of dealers; incentive programs, timely payments to the dealer, and chargeback; disclosure of customer information by a dealer to a manufacturer or distributor; property use agreements; qualifying protests in certain affected counties; and qualifying protests of economically impaired dealers in certain affected counties.

#### **Sections of Bill Affecting TxDMV:**

A11

# Implementation Plan

#### **Summary and Scope of Implementation Activities:**

The Motor Vehicle Division will provide programming specifications to the Information Technology staff who will change the department's LACE system to include changes involving the protest provisions and distance requirements, manufacturers' termination of dealers; and will update information posted on the department's web site.

MVD will initiate rulemaking; edit forms, templates, notices of hearings, and protest letters; conduct staff training regarding the modified procedures by which evaluation of complaints is determined for standing and ripeness; as well as, provide licensees instruction on the new policies and procedures.

#### **Proposed Schedule and Constraints:**

Implementation of SB 529 is a high-priority and will require the following schedule to implement the provisions of the bill.

#### <u>Proposed Timeline</u>:

July2011	Solicitation of industry input			
July 30, 2011	Informal meeting at TxDMV inviting dealers and manufacturers			
July 1-Aug 31, 2011	Form changes, staff training, modifications to TxDMV's website			
Aug 1–31, 2011	Drafting of the rules and circulation to management and the board			
Oct 13, 2011	Proposed rules presented to the TxDMV Board			
Oct 21, 2011	Proposed rules published in the Texas Register			
Oct 21 – Nov 21, 2011	Public Comment period			
Dec 1 – Jan 31, 2012	TxDMV prepares response to comments, circulation to management, preparation of executive summary, board book materials, and Secretary of State posting			
Mar 8, 2012	Final rules presented to the TxDMV Board for adoption.			
Mar 23, 2012	Final rules published in the <i>Texas Register</i> .			

#### **Effects on Industry, Public and Agency Programs:**

SB 529 provides additional franchise protection for dealers and limits manufacturer's actions in several areas. The new franchise protection applies only to those agreements that were entered into or renewed on or after September 1, 2011, while the modified protest standing provisions apply immediately to new applications and amendment applications filed on and after September 1, 2011. MVD's licensing of manufacturers, distributors, and dealers is affected, especially the protest check and notification process. As well, complaints filed by dealers against manufacturers or distributors are evaluated by MVD for standing and ripeness and then referred, as appropriate, to the State Office of Administrative Hearings (SOAH). SB 529 has the potential to increase the number of cases filed with the TxDMV.

#### **Planned Stakeholder Involvement:**

MVD will comply with all public participation and public notice requirements during the rulemaking. Additionally, MVD will engage in discussions, both before and during rulemaking, with the Texas Recreational Vehicle Association (TRVA), the Texas Automobile Dealers Association (TADA), the Texas Motorcycle Dealers Association (TMDA), and the Alliance of Automobile Manufacturers, along with other affected groups, regarding the implementation of the statute.



# Final Bill Analysis

**Division:** Government and Stakeholder Relations Date: 6/10/2011

Lead: Jeremiah Kuntz
Team Members: Jeremiah Kuntz

Bill Number: SB 652 Author: Hegar

**Effective Date:** June 17, 2011

☐ Does the bill require administrative rules?

☐ Does the bill require technology changes? ☐ Does the bill require procedure of	changes?

Bill Caption: Relating to governmental and certain quasi-governmental entities subject to the sunset review process.

□ Does the hill create a fiscal impact?

#### **Brief Summary of the Legislation:**

Currently, Texas state agencies undergo periodic review by the Sunset Advisory Commission. The agencies are reviewed to ensure that they are performing a function that the legislature deems necessary and to ensure the agency's procedures are both appropriate and adequate. As stated by the Sunset Commission "The Sunset process works by setting a date on which an agency will be abolished unless legislation is passed to continue its functions. This creates an opportunity for the legislature to look closely at each agency and make fundamental changes to an agency's mission or operations if needed."

SB 652 is the sunset review schedule bill. It amends various state agency sunset dates to ensure that the Sunset Commission can spread out its workload accordingly. The TxDMV sunset date was previously scheduled for September 1, 2015. SB 652 changed the sunset date to September 1, 2019.

# **Sections of Bill Affecting TxDMV:**

Section 4.10

#### **Summary and Scope of Implementation Activities:**

The Government and Stakeholder Relations director shall inform the board of the change in the sunset date at the July 14, 2011 board meeting.

#### **Proposed Schedule and Constraints:**

The Government and Stakeholder Relations Director will present 82<sup>nd</sup> Legislative Session bill report to the TxDMV board on July 13, 2011 at the TxDMV board meeting.

## **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any of the regulated industry served by the TxDMV, the public or agency programs.

#### Planned Stakeholder Involvement:

Staff does not anticipate the need for stakeholder involvement to implement the provisions of HB 652.



# Final Bill Analysis

Division: Vehicle Titles and Registration Date: 6/7/2011

Lead: Randy Elliston

Team Members: Tim Taylor, Monica Blackwell

Bill Number: SB 690 Author: Carona

Effective Date: January 1, 2012

Does the bill require administrative rules?	☐ Does the bill create a fiscal impact?
☐ Does the bill require technology changes?	▼ Does the bill require procedure changes?

Bill Caption: Relating to the enforcement of a self-service storage facility lien; providing a penalty.

# **Brief Summary of the Legislation:**

Currently, under Chapter 59, Property Code, a self-service storage facility is permitted to hold a lien against the contents of a rented unit to secure payment of the rent. Should a renter of a self-service storage unit fail to make payments on their unit, the facility is required by law to send by certified mail a notice regarding a potential lien auction sale of their goods and provide the tenant with the opportunity to cure the debt.

SB 690 amends the statutes relating to the enforcement of a self-service storage facility lien. The bill creates a Class B misdemeanor offense if a person knowingly provides false or misleading information in a self-service storage facility lien notice.

SB 690 permits the use of mail and e-mail to ensure to notify tenants about liens filed against their property. Notice by email is only allowed if a written rental agreement between the lessor and the tenant has been signed and the rental agreement states that email is permitted for notification. The notice must include that if the tenant fails to satisfy the claim on or before the 14<sup>th</sup> day after the date the notice is delivered, the property may be sold at public auction. The bill provides special provisions for members of the military,

requiring that the notice must include a statement underlined or in bold print requesting the tenant who is in military service to notify the lessor of the status of the tenant's current military service immediately. The bill allows a lessor to require written proof of a tenant's military service.

SB 690 requires that should a lessor take possession of a motor vehicle, motorboat, vessel, or outboard motor to enforce a lien, they are required to give written notice of sale sent by mail within 30 days to the last known owner and each lienholder recorded on the registration or certificate of title of the vehicle or to the owner and each lienholder of record in the location in which the vehicle is registered or titled if the registration or title is outside Texas. When the lessor receives the needed information and is then advised by the governmental entity with which the vehicle is registered or titled, that the governmental entity is unable to provide information on the last known owner of record or any lienholder of record; or the lessor does not receive a response from the governmental entity; or the last known owner cannot be determined; or the registration or title does not contain the last known owner; or the lessor cannot determine the identities and addresses of the lienholders; the notice of sale may be given by publishing the notice in a print or electronic version in a newspaper in the county in which the vehicle is stored.

A published notice is not required if the lessor has sent a notice by mail and received notification that the notice was unclaimed, refused, or returned with notation that the addressee was unknown. After the correct notice process has been completed, the owner or lienholder must take possession of the vehicle before the 31<sup>st</sup> day after the notice was mailed or published and pay all charges. If the charges are not paid by the 31<sup>st</sup> day, the lessor may sell the vehicle.

**Sections of Bill Affecting TxDMV:** 

All

#### **Summary and Scope of Implementation Activities:**

The VTR division will revise the Motor Vehicle Title Manual and form VTR-265-SSF; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

The Vehicle Title Manual and Form VTR-265-SSF will be updated by January 1, 2012

### **Effects on Industry, Public and Agency Programs:**

Self-storage facilities will need to expand their notification process when filing liens and the public will have a greater ability to receive lien notifications.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of SB 690.

# Final Bill Analysis

**Division:** Vehicle Titles and Registration **Date: 6/8/2011** 

Lead: Randy Elliston

Team Members: David Pyndus, Linda Kirksey, Gary Gordier

Bill Number: SB 896 Author: Estes

Effective Date: September 1, 2011

✓ Does the bill require administrative rules?
✓ Does the bill create a fiscal impact?

✓ Does the bill require technology changes?
✓ Does the bill require procedure changes?

Bill Caption: Relating to the issuance of specialty license plates to certain family members of a person who dies while serving in the United States armed forces.

### **Brief Summary of the Legislation:**

Currently, TxDMV is required to issue a specialty license plate for the mother, surviving spouse, or immediate family member of a person who died while serving in the United States armed forces. License plates issued under this section must include the words "Gold Star..." before mother, surviving spouse, etc.

SB 896 requires TxDMV to issue a new specialty license plate for fathers of a person who died while serving in the United State armed forces. The new specialty plate must include the legend "Gold Star Father."

# **Sections of Bill Affecting TxDMV:**

All

## **Summary and Scope of Implementation Activities:**

The VTR division will work with the administration support staff to design and manufacture the new specialty license plate. Additionally, the division will provide programming specifications to the Information Technology staff who will change the department's automated systems to include the new license plate and update information posted on the department's web site to reflect the new plate design. The General Counsel's Office will be provided information by the VTR division to draft or amend the administrative code to incorporate the new requirements of the license plate.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the provision to allow for issuance of the new license plate. VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

Rules will be proposed as early as the August Board Meeting for final adoption this fall.

#### **Effects on Industry, Public and Agency Programs:**

The department will now be able to issue a specialty license plate specifically for the father of a person who died while serving in the United States armed forces. The department currently issues Gold Star Mother and Gold Star Family License Plates.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of SB 896.

# Final Bill Analysis

**Division:** Government and Stakeholder Relations Date: 6/13/2011 Lead: Jeremiah Kuntz **Team Members:** Jeremiah Kuntz, Molly Cost, Brett Bray **Bill Number:** SB 1035 **Author:** Williams **Effective Date:** Vetoed Does the bill require administrative rules? Does the bill create a fiscal impact? **▼** Does the bill require technology changes? Does the bill require procedure changes?

Bill Caption: Relating to motor vehicle title services; providing penalties.

### **Brief Summary of the Legislation:**

Governor Perry's Veto Proclamation:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, Rick Perry, Governor of Texas, do hereby disapprove of and veto Senate Bill No. 1035 as passed by the Eighty-Second Texas Legislature, Regular Session, because of the following objections:

Senate Bill 1035 would expand county permitting of motor vehicle title service companies and create a state licensing requirement administered by the Texas Department of Motor Vehicles (DMV). The bill would establish additional criminal and civil penalties, including a state jail felony if a service company violated a license requirement.

While the state may benefit from the DMV performing a licensing or oversight function, this bill would not address the burden imposed on motor vehicle title service companies by a state licensing requirement, nor would it address the inherent problems of the creation of 254 different county registration processes. The dual state and county registration and licensing procedures, and different associated fees, are too cumbersome.

Senate Bill 1035 could also have unintended consequences through its definition of a motor vehicle title service company. That definition would include any individual directly or indirectly assisting with the registration process. It would be problematic that a friend or family member who is familiar with the

registration process could not assist, if any compensation was received, without being subject to civil and criminal penalties.

Because I appreciate the goal of Senate Bill 1035, I am requesting the DMV to work with the motor vehicle title service industry and county governments to find a reasonable solution that does not add layers of government, but protects Texans against individuals operating with the intent to defraud consumers or the state.

Since the Eighty-Second Texas Legislature, Regular Session, by its adjournment has prevented the return of this bill; I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.

#### **Sections of Bill Affecting TxDMV:**

Veto Proclamation

# Implementation Plan

#### **Summary and scope of implementation activities:**

The Government and Stakeholder Relations Division (GSR) will contact the County Tax Assessor Collectors Association, specific Tax Assessor Collectors, and other stakeholders to form a working group. The working group will evaluate and provide options for the tax assessors to utilize the current statutes which provide for regulation at the county level. The working group will also produce legislative recommendations to the TxDMV Board and the House Transportation and Senate Transportation and Homeland Security Committees.

#### **Proposed schedule and constraints:**

The GSR division will form a working group with affected stakeholders no later than January, 2012. The working group will make recommendations to the board no later than September, 2012.

#### **Effects on Industry, Public and Agency Programs:**

Staff does not anticipate any impact on any of the industry served by the TxDMV, the public, or agency programs.

#### Planned stakeholder involvement:

GSR will actively solicit comments from those counties with established county permitting programs for the regulation of title services or independent title runners, especially those counties that have already responded to MVD's survey for collection of data that was conducted during the pendency of SB 1035. The division will also contact Dealer Title Application (DTA) vendors and

vehicle dealers for a listing of title to identify potential stakeholders.	services	they	utilize,	and	seek	other	sources



### Final Bill Analysis

Division: Vehicle Titles and Registration

Lead: Randy Elliston

Team Members: Tammera Parr-Lamb, Linda Kirksey, Gary Gordier

Bill Number: SB 1057

Author: Wentworth

Effective Date: September 1, 2011

□ Does the bill require administrative rules? □ Does the bill create a fiscal impact?

Bill Caption: Relating to the transfer of certain vehicle registrations at the time of sale of the vehicle.

**▼** Does the bill require procedure changes?

### **Brief Summary of the Legislation:**

**▼** Does the bill require technology changes?

Current law under Section 502.451, Transportation Code, on the sale or transfer of a motor vehicle to a dealer who holds a general distinguishing number, the dealer is required to remove each license plate and the registration insignia issued for the motor vehicle.

SB 1057 requires that the registration period remaining at the time of the sale or transfer expires at the time of the sale or transfer. On the sale of a used motor vehicle by a dealer, the dealer is required to issue to the buyer new registration documents for an entire registration year, which would require a minimum of 12 months registration if the vehicle is to be operated on the public roads.

In addition, should the sale or transfer of a motor vehicle in which neither party holds a general distinguishing number, the part of the registration period remaining at the time of the sale or transfer shall continue with the vehicle being sold or transferred and does not transfer with the license plates or registration validation insignia. In order to continue the remainder of the registration period, the purchaser or transferee must file the documents required.

#### **Sections of Bill Affecting TxDMV:**

A11

### Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will provide programming specifications to the Information Technology staff who will change the department's automated systems to amend the process for the transfer of registration by auto dealers and update information posted on the department's web site.

The VTR division will revise the Motor Vehicle Registration Manual and VTR Form 130-U; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the provision of the bill. VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

#### **Effects on Industry, Public and Agency Programs:**

Dealers will have to adapt to and learn the new rules, but otherwise minimal effects and be able to explain the process to persons trading in a vehicle.

#### Planned Stakeholder Involvement:

Staff does not anticipate the need for stakeholder involvement to implement the provisions of SB 1057.



### Final Bill Analysis

Division: Vehicle Titles and Registration

Lead: Randy Elliston

Team Members: Michael D. Brooks, Linda Kirksey

Bill Number: SB 1386
Author: Lucio

Effective Date: September 1, 2011

Does the bill require administrative rules? Does the bill create a fiscal impact?

Bill Caption: Relating to the refusal to register motor vehicles by a county assessorcollector or the Texas Department of Motor Vehicles.

▼ Does the bill require procedure changes?

### **Brief Summary of the Legislation:**

■ Does the bill require technology changes?

Currently, a county assessor-collector or the department may refuse to register a motor vehicle if the tax assessor-collector or the department receives information that the owner of the vehicle owes the county money for a fine, fee, or tax that is past due.

SB 1386 adds that a person who failed to appear in connection with a complaint or citation relating to a county fine, fee, or tax, shall be levied an additional fee. This additional fee is set at \$20. Cities may contract with the department or County Tax Assessor-Collector for the collection of such a fee. The fee must be used to reimburse the department or County Tax Assessor-Collector for its expenses for providing services under the contract.

A person who has an outstanding warrant from the municipality for failure to appear or failure to pay a fine on a complaint that involves the violation of a traffic law shall be levied this additional fee. A municipality may contract with the department or County Tax Assessor-Collectors. The fee must be used to reimburse the department or County Tax Assessor-Collector for its expenses for providing services under the contract.

#### **Sections of Bill Affecting TxDMV:**

A11

### Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will provide edits to the Information Technology staff who will update information posted on the department's web site.

The VTR division will notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

The VTR division will send notification through the 82<sup>nd</sup> Legislative Listserv on June 30, 2011.

#### **Effects on Industry, Public and Agency Programs:**

People updating their vehicle registration who may have failed to appear in court for in which a criminal proceeding is pending may be blocked from registration and subject to an additional fee of \$20.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of SB 1386.



### Final Bill Analysis

Division: Motor Carrier Date: 6/10/2011

Lead: Brett Bray

**Team Members:** Aline Aucoin, Dawn Heikkila, Bill Harbeson, Sharon Brewer, Ginny Booton, Linda Flores, Angela DeLeon, Gary Gordier, Jeremiah Kuntz

Bill Number: SB 1420 Author: Hinojosa

Effective Date: September 1, 2011

☐ Does the bill require administrative rules?	☐ Does the bill create a fiscal impact?
Does the bill require technology changes?	Does the bill require procedure changes?

Bill Caption: Relating to the continuation and functions of the Texas Department of Transportation; providing penalties.

### **Brief Summary of the Legislation:**

In 1977, the Texas legislature created the Sunset Advisory Commission to identify and eliminate waste, duplication, and inefficiency in government agencies. Sunset is the regular assessment of the need for a state agency to exist. The Sunset process works by setting a date on which an agency will be abolished unless legislation is passed to continue its functions.

SB 1420 is the TxDOT sunset bill which contains provisions transferring certain functions related to oversize/overweight vehicles from TxDOT to the TxDMV. Except as otherwise provided by SB 1420, this bill transfers from TxDOT to TxDMV the powers, duties, functions, programs, activities, property, appropriations, contracts, etc. relating to oversize and overweight vehicles under Chapters 621, 622, and 623, Transportation Code.

The bill authorizes TxDMV to enter into a Memorandum of Understanding (MOU) with TxDOT if the TxDMV board determines the MOU is necessary or appropriate to implement the changes made by SB 1420.

The transfer must occur no later than January 1, 2012. Once the transfer is complete, TxMDV will be responsible for certain function such as issuing oversize or overweight permits and pursuing administrative enforcement

actions. The TxDMV board will have the authority to adopt rules. TxDOT will be responsible for certain functions, such as providing TxDMV with the necessary routing information and setting the maximum weights of vehicles that may be moved over certain state highways, or farm or ranch roads. The Texas Transportation Commission retains certain oversight authority, such as authorizations of certain port authorities and navigation districts to issue permits for the movement of oversize or overweight vehicles on certain highways.

#### **Sections of Bill Affecting TxDMV:**

Sections 54-98 and 101-104

### Implementation Plan

#### **Summary and Scope of Implementation Activities:**

A transition team has been charged with implementing the transition. Each team member is responsible for addressing issues related to their division and providing input into the creation of the MOU should it be deemed necessary by the TxDMV board.

The transition team will identify issues that need to be addressed through an MOU. The transition team leader will present a proposed resolution to the TxDMV board regarding the necessity of the MOU. If the TxDMV board determines the MOU is necessary or appropriate, the transition team will work together to draft and negotiate the MOU with TxDOT.

The transition team will hold preliminary meetings with TxDOT's Motor Carrier Division to gather information about the program and to identify action items that will need to be completed.

The transition team will meet regularly to plan the transition. The team is currently gathering information and documents from TxDOT and creating checklists regarding the transition.

In the near future, the TxDMV Executive Director will meet with the TxDOT employees who will transfer to TxDMV.

As the transition moves forward, the transition team may establish additional implementation activities. For example, once TxDMV studies the business processes, manuals, and workflows for the oversize and overweight program, TxDMV may need to make modifications to better integrate it into TxDMV.

Once the transfer is complete, TxDMV will coordinate with TxDOT to separate the existing administrative rules because each agency will be responsible for different aspects of the law governing oversize and overweight vehicles.

#### **Proposed Schedule and Constraints:**

As the transition process moves forward, other milestones and deadline may be established in addition to the schedule of milestones set forth below.

July 5, 2011 Contact stakeholders to set up meeting

July 14, 2011 Request board authorize staff enter into a MOU

July 15, 2011 Begin negotiations with TxDOT on the MOU

January 1, 2012 Complete transfer

Spring of 2012 Work on administrative rules

#### **Effects on Industry, Public and Agency Programs:**

The transfer of the oversize and overweight program to TxDMV should benefit the intrastate and interstate carriers due to the consolidation of the oversize and overweight permitting with TxDMV's registration and credentialing functions.

The transfer will increase the TxDMV's motor vehicle regulatory and enforcement functions and provide opportunities to consolidate functions and duties.

#### **Planned Stakeholder Involvement:**

Certain members of the transition team will meet with the Texas Motor Transportation Association to discuss the transition on a regular basis. The first meeting will likely take place during the week of July 5<sup>th</sup>. The MCD will keep law enforcement and the registered trucking industry informed via LISTSERV. Stakeholders will also be notified in the regular course of proposing rules and provided the opportunity for comment.



### Final Bill Analysis

**Division:** Vehicle Titles and Registration **Date: 6/8/2011** 

Lead: Randy Elliston

Team Members: Tammera Parr-Lamb, David Pyndus, Candy Southerland

Bill Number: SB 1635 Author: Davis W.

**Effective Date:** June 17, 2011

Does the bill require administrative rules?	Does the bill create a fiscal impact?
Does the bill require technology changes?	✓ Does the bill require procedure changes?

Bill Caption: Relating to contributions to the fund for veterans' assistance.

#### **Brief Summary of the Legislation:**

Currently, information is printed on the back of the vehicle registration form regarding how an individual can donate funds to either the Texas Veterans Commission. There is not a space on the front of the renewal notice for donations to any organization or agency.

HB 1635 requires TxDMV provide the ability to make a voluntary donation, to the fund for veterans' assistance, in any amount determined by the individual at the time of registration and to include a space on the front of the motor vehicle registration renewal notice that allows an individual to indicate the voluntary contribution. It also provides that the department shall provide a method for making a contribution under this section to owners applying for renewal of the registration of a motor vehicle using the department's website. Additionally, the bill requires TxDMV to consult with the Texas Veterans Commission in performing the department's duties.

SB 1635 requires the county tax assessor-collector to send the contribution to the comptroller's office. If an individual makes a contribution and does not pay the full amount of the registration fee, the tax assessor-collector may credit all or a portion of the contribution to the person's registration fee.

#### **Sections of Bill Affecting TxDMV:**

All

### Implementation Plan

#### **Summary and Scope of Implementation Activities:**

The VTR division will provide programming specifications to the Information Technology staff who will change the department's Internet Vehicle Title and Registration System (IVTRS) and the Texas International Registration Program (TxIRP) interface and the renewal notice, Form VTR-39-A, to reflect the voluntary contribution box. The Motor Carrier Division will provide programming specifications to the Information Technology staff who will change the department's Texas International Registration Program (TxIRP) interface and the renewal notice to reflect the voluntary contribution box.

The information Technology staff will also update information posted on the department's web site. The General Counsel's Office will be provided information by the MCD and VTR divisions to draft or amend the administrative code to incorporate the new procedures regarding the contributions.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

HB 1301 also requires changes to the renewal notice form. The activities related to this bill and HB 1301 will be complete at the same time.

#### **Proposed Schedule and Constraints:**

June 20, 2011	Request programming change
Sept 15, 2011	Modify registration renewal notice
Dec 1, 2011	Notify county tax assessor-collectors
Jan 1, 2012	Implementation activities complete.

#### **Effects on Industry, Public and Agency Programs:**

The changes in the bill are intended to allow the public to contribute to the fund for veterans' assistance while registering their vehicle with the TxDMV and provide the TPWD with a funding stream to improve the parks system.

### **Planned Stakeholder Involvement:**

The VTR division will set up meetings with Texas Veterans Commission to discuss the changes to the registration renewal form.



### Final Bill Analysis

Division: Motor Vehicle Date: 6/13/2011

Lead: Molly Cost

Team Members: Michelle Lingo, Katie Andrews, Angela Gibson

Bill Number: SB 1733

**Author:** Van de Putte **Effective Date:** June 17, 2011

Does the bill require administrative rules?	Does the bill create a fiscal impact?

✓ Does the bill require technology changes?
✓ Does the bill require procedure changes?

Bill Caption: Relating to the occupational licensing of spouses of members of the military.

### **Brief Summary of the Legislation:**

Currently, Chapter 55 of the Occupations Code provides exemptions from penalty for failure to renew a license, as well as extensions of certain deadlines for active duty military personnel. The statutes do not currently apply to spouses of active military personnel.

SB 1733 adds new Occupations Code Section 55.004 for alternative licensing procedures for a license applicant who is the spouse of a person serving on active duty as a member of the armed forces of the United States. The spouse must either currently hold a license issued by another state that has licensing requirements that are substantially equivalent to the requirements for the license in Texas; or within the five years preceding the application date, have held the license in Texas that expired while the applicant lived in another state for at least six months.

The proposed new section contemplates adoption of rules that will include provisions allowing alternative demonstrations of competency to meet the requirements for obtaining the license. In addition, Section 55.004 also allows the executive director to issue a license by endorsement in the same manner

used by the Texas Commission of Licensing and Regulation under Occupations Code Section 51.404.

### **Sections of Bill Affecting TxDMV:**

A11

### Implementation Plan

### **Summary and Scope of Implementation Activities:**

The Motor Vehicle Division (MVD) will revise application forms; modify licensing procedures and manuals; conduct staff training; and provide applicants information and instruction on the new policies and procedures.

Additionally, MVD will provide programming specifications to the Information Technology staff who will change the licensing data systems and update information posted on the department's web site.

The General Counsel's Office will be draft rules by MVD to amend the Administrative Code to implement the new requirements for considering occupational license applications filed by spouses of active duty military personnel.

#### **Proposed Schedule and Constraints:**

#### Proposed Timeline:

July-Aug, 2011	Form changes, staff training, modification to TxDMV's website		
Jan 2012	Draft proposed rules and circulate to management, executive Director, and Chairman		
April 12, 2012	Board meeting for consideration of proposed rules		
April 27, 2012	Proposed rules published in the <i>Texas Register</i> . Public comment period begins.		
May 28, 2012	30-day public comment period ends; no hearing anticipated		
Sept 13, 2012	Final rules presented to the TxDMV Board for adoption.		
Sept 28, 2012	Final rules published in the Texas Register.		

### **Effects on Industry, Public and Agency Programs:**

MVD anticipates minimal impact on the regulated community and does not anticipate a new or modified group of affected persons because applicants must still meet and maintain minimum statutory requirements, including an in-state physical presence, in order to qualify as a license holder. The public will not be mislead by a license holder because the licensee is required to comply with requirements that are the same as or substantially similar to existing requirements.

#### **Planned Stakeholder Involvement:**

MVD will contact stakeholders in accordance with the standard procedures for the public comment requirements during the rulemaking process. However, MVD does not anticipate the need for a public hearing on the rulemaking.



### Final Bill Analysis

Division: Administration Date: 6/3/2011

Lead: Dawn Heikkila

Team Members: Ann Pierce, Sharon Brewer

Bill Number: SB 1737
Author: Van de Putte

Effective Date: September 1, 2011

Does the bill require administrative rules? Does the bill create a fiscal impact?

Bill Caption: Relating to accrual and use of leave of absence for certain training or duty, including military training or duty, by public employees and officers.

Does the bill require procedure changes?

### **Brief Summary of the Legislation:**

■ Does the bill require technology changes?

SB 1737 amends Chapter 431 of the Government Code providing paid leave for public employees and officers, up to 15 workdays each federal fiscal year, for the public employee or officer engaged in authorized training or duty. A public employee or officer is entitled to carry forward from one federal fiscal year to the next the net balance of unused accumulated leave not to exceed 45 workdays. Additionally, amendments to Section 431.0825 regarding state employees serving in the National Guard are allowed to receive paid emergency leave if called to state active duties by the Governor. A state employee called to federal active duty during an emergency or for training for that purpose is entitled to receive 22 workdays of paid emergency leave without loss of military leave or annual leave.

**Sections of Bill Affecting TxDMV:** 

A11

### Implementation Plan

#### **Summary and Scope of Implementation Activities:**

TxDMV HR Manual, Chapter 2 Leave Practices, Section 8 Temporary Military Leave will need to be revised to include the leave provisions described in this bill.

#### **Proposed Schedule and Constraints:**

Policy revisions to our HR manual can be completed within the first quarter of FY 2012.

#### **Effects on Industry, Public and Agency Programs:**

TxDMV staff will need to be notified of the changes to our HR Manual, leave policies for employees in the military reserve or the state or National Guard.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of SB 1737.

### Final Bill Analysis

**Division:** Vehicle Titles and Registration Date: 6/3/2011

Lead: Randy Elliston

Team Members: David Pyndus, Linda Kirksey, Gary Gordier

Bill Number: SB 1755

**Author:** Van de Putte

**Effective Date:** September 1, 2011

✓ Does the bill require administrative rules?
✓ Does the bill create a fiscal impact?

✓ Does the bill require technology changes?
✓ Does the bill require procedure changes?

Bill Caption: Relating to the issuance of certain specialty license plates.

#### **Brief Summary of the Legislation:**

Currently, a military veteran with disabilities may register, for the person's own use, one vehicle without payment of a registration fee. Disabled license plates are issued for a fee of \$3 for the first set. The plates are required to include the letters "DV" as a prefix or suffix to any numeral on the plates and the words "Disabled Veteran" and "U.S. Armed Forces" at the bottom of each license plate.

SB 1755 requires TxDMV to issue multiple new specialty license plates for the military. Qualifying individuals would be able to select a service emblem to which the veteran is qualified to be displayed on a Disabled Veteran License Plate or on a license plate with the legend "Distinguished Service Medal." This change allows a disabled veteran who was also awarded a medal for meritorious service to receive the recognition of the meritorious service while maintaining the discounted registration and parking privileges of the Disabled Veteran License Plate.

### **Sections of Bill Affecting TxDMV:**

All

### Implementation Plan

### **Summary and Scope of Implementation Activities:**

The VTR division will work with Administration Support staff to design and manufacture the new specialty license plates and provide programming specifications to Information Technology staff who will change the department's automated systems and update information posted on the department's web site to reflect the new license plates. The General Counsel's Office will be provided information by the VTR division to draft or amend the administrative code to reflect the availability of the new military plate designs available to disabled veterans.

The VTR division will revise the Motor Vehicle Registration Manual and applicable publications to reflect the availability of the new plates; and notify county tax assessor-collectors and other affected partners of the provisions of this bill through the registration and title bulletin.

#### **Proposed Schedule and Constraints:**

Programming changes will be needed to implement the provision to allow for issuance of the license plates. VTR began working with Information Technology staff in June to implement the changes that become effective September 1, 2011.

Rules will be proposed as early as the August, 2011 board meeting for final adoption this fall.

#### **Effects on Industry, Public and Agency Programs:**

SB 1755 allows disabled veterans who were also awarded a medal for meritorious service to receive the recognition of the meritorious service while maintaining the discounted registration and parking privileges of the Disabled Veteran License Plate.

#### **Planned Stakeholder Involvement:**

Staff does not anticipate the need for stakeholder involvement to implement the provisions of SB 1755.

