



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

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

2:30 p.m.

Wednesday, August 10, 2022

AGENDA
LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE
TEXAS DEPARTMENT OF MOTOR VEHICLES
WILLIAM B. TRAVIS BUILDING
1701 N. CONGRESS AVENUE, ROOM 1.111, AUSTIN, TEXAS 78701
WEDNESDAY, AUGUST 10, 2022
2:30 P.M.

Link to August 10, 2022, TxDMV Legislative and Public Affairs Committee Documents:
<https://www.txdmv.gov/about-us/txdmv-board-meetings>

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

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1. **Roll Call and Establishment of Quorum**
2. **Pledges of Allegiance - U.S. and Texas**
3. **Comments and Announcements from Committee Chair, Committee Members, and Executive Director**

BRIEFING AND ACTION ITEMS

- 5
4. **Consideration and Possible Recommendation for Action to the Full Board and Briefings:**
[Review of Draft Legislative Recommendations for the 88th Regular Legislative Session](#) - Keith Yawn (BRIEFING ONLY)

CLOSED SESSION

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

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

- any item on this agenda.

Section 551.074 - Personnel matters.

- Discussion relating to the appointment, employment, evaluation, reassignment, duties, discipline, and dismissal of personnel.

Section 551.076 - Deliberation Regarding Security Devices or Security Audits; Closed Meeting.

- the deployment, or specific occasions for implementation, of security personnel or devices; or
- a security audit.

Section 551.089 - Deliberation Regarding Security Devices or Security Audits; Closed Meeting.

- security assessments or deployments relating to information resources technology;
- network security information as described by Government Code Section 2059.055(b); or
- the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

6. Action Items from Closed Session

7. Public Comment

8. Adjournment

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

If you would like to comment on any agenda item (including an open comment under the agenda item for Public Comment), you must complete a speaker's form at the registration table prior to the agenda item being taken up by the Committee or send an email to GCO_General@txdmv.gov to register by providing the required information prior to the agenda item being taken up by the Committee:

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

- d. who you are representing.

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

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

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

CERTIFYING OFFICIAL: Elizabeth Brown Fore, General Counsel, (512) 465-5665.

To: Legislative & Public Affairs Committee, Texas Department of Motor Vehicles Board
From: Keith Yawn, Government & Strategic Communications Division Director
Agenda Item: 4
Subject: Review of Draft Recommendations for the 88th Regular Legislative Session

RECOMMENDATION

Briefing Only

PURPOSE AND EXECUTIVE SUMMARY

Provide an overview of draft statutory amendments for the board to consider recommending to the 88th Texas Legislature. The changes were developed with input from internal and external stakeholders and subject matter experts. This agenda item begins the process of possible board adoption of the proposed recommendations and allows additional input from stakeholders and the public.

FINANCIAL IMPACT

No financial impact.

BACKGROUND AND DISCUSSION

The 88th Texas Legislature convenes in regular session on January 10, 2023. Transportation Code Section 1001.025 authorizes the board to recommend to the legislature statutory changes that would improve department operations. The board has made recommendations for statutory change in each legislative session since the department was created. Department development of potential statutory amendments for the next session has been underway since March of this year, in preparation for the start of bill filing for the next session in November.

Since the committee's February 2022 meeting, the Government and Strategic Communications Division (GSC) staff worked with internal subject matter experts and met with external stakeholders to identify potential statutory changes. Following the identification of potential changes, staff further vetted the proposals through a multi-divisional review process which included the Office of General Counsel and the Executive Director's Office.

The research and review stages did not identify urgent statutory changes or legal issues materially impeding the efficient and effective operation of regulatory programs. Nor were any additional statutory changes identified as needed for ongoing work to prevent temporary tag fraud since activities being pursued in this area are within existing statutory authorizations. Given the lack of major statutory needs, the team built the recommendations around a framework of clarifying and cleaning up statute to make department regulatory requirements and operations more understandable and transparent to stakeholders.

The proposed recommendations are grouped into four sections: (1) amendments to Title Act requirements; (2) amendments to registration and license plate requirements; (3) amendments to oversize/overweight permitting requirements; and (4) amendments related to funds for the Motor Vehicle Crime Prevention Authority. The four sections make 15 general recommendations, 8 of which have been board recommendations in previous sessions. There was no

material public opposition to these eight recommendations during the last session; they failed due to procedural issues in the final days of the session.

Following the presentation of these proposals, staff will review input received and prepare a final packet of legislative recommendations for the board's approval at the October 2022 meeting. Approved recommendations will be communicated to various legislative offices for consideration during the 88th Texas Legislative Session.



Texas Department of Motor Vehicles

Proposed Legislative Recommendations Packet: Title Act Items

Items Previously Recommended by the Board (87th Regular Session, House Bill 3531):

1. Clarify equal use of printed and electronic titles (Transportation Code, Chapter 501, throughout)
2. Define auction sales receipt & allow its use for reporting scrapped vehicles
 - a. Transportation Code, Section 501.091. Definitions
 - b. Transportation Code, Section 501.1003. Salvage Dealer Responsibilities
3. Allow wider range of ownership evidence when insurance companies apply for title (Transportation Code, Section 501.0925. Insurance Company Not Required to Surrender Certificates of Title in Certain Situations)
4. Allow vehicles with out of state salvage-type titles to receive a rebuilt title (Transportation Code, Section 501.100 Application for Regular Certificate of Title for Salvage Vehicle)

1. Throughout Chapter 501 of the Transportation Code there are express references to printed (or certificate) titles. Electronic titles have long been used in Texas and in practice are not treated differently from a printed title. The same issue exists throughout the chapter for salvage and nonrepairable vehicle titles. The following amendments will remove any distinctions between printed and electronic titles, both regular, salvage and nonrepairable, so that it is clear both forms of titles are used in the same manner.

In two instances a distinction for printed titles will remain: a requirement about a warning that must be printed on the face of a certificate of title (501.021) and a requirement relating to physical signatures on a printed title (501.028). There is also an amendment in 501.0234 clarifying that it is a certificate of authority that is issued under Chapter 683 not a title.

These amendments are not intended to alter existing department practice or operations but clarify the statute for public transparency. These changes were included in House Bill 3531 (87R).

SUBCHAPTER B. ~~[CERTIFICATE OF]~~ TITLE REQUIREMENTS

Section 501.0234(b): (b) This section does not apply to a motor vehicle:

- (1) that has been declared a total loss by an insurance company in the settlement or adjustment of a claim;
- (2) for which the title has been surrendered in exchange for:
 - (A) a salvage vehicle title ~~[or salvage record of title]~~ issued under this chapter;
 - (B) a nonrepairable vehicle title ~~[or nonrepairable vehicle record of title]~~ issued under this chapter or a certificate of authority issued under Subchapter D, Chapter 683; or
 - (C) an ownership document issued by another state that is comparable to a document described by Paragraph (A) or (B);
- (3) with a gross weight in excess of 11,000 pounds; or
- (4) purchased by a commercial fleet buyer who:
 - (A) is a deputy authorized by rules adopted under Section 520.0071;
 - (B) utilizes the dealer title application process developed to provide a method to submit title transactions to the county in which the commercial fleet buyer is a deputy; and
 - (C) has authority to accept an application for registration and application for title transfer that the county assessor-collector may accept.

Sec. 501.0276. DENIAL OF TITLE RECEIPT OR ~~[7]~~ TITLE ~~[7 OR RECORD OF TITLE]~~ FOR FAILURE TO PROVIDE PROOF OF EMISSIONS TESTING. A county assessor-collector may not issue a title receipt and the department may not issue a ~~[certificate of]~~ title for a vehicle subject to Section 548.3011 unless proof that the vehicle has passed a vehicle emissions test as required by that section, in a manner authorized by that section, is presented to the county assessor-collector with the application for a title.

Section 501.0301(b): (b) A county assessor-collector may not issue a title receipt and the department may not issue a ~~[certificate of]~~ title for an off-highway vehicle purchased from a retailer located outside this state and designated by the manufacturer as a model year that is not more than one year before the year in which the application for title is made unless the applicant for the title delivers to the assessor-collector or the department, as

applicable, satisfactory evidence showing that the applicant:

- (1) has paid to the comptroller the applicable use tax imposed on the vehicle under Subchapter D, Chapter 151, Tax Code; or
- (2) is not required to pay any taxes described by Subdivision (1).

Sec. 501.038. ~~[CERTIFICATE OF]~~ TITLE FOR CUSTOM VEHICLE OR STREET ROD.

Section 501.038(b): (b) Notwithstanding any other provision of this chapter, if the department issues a ~~[certificate of]~~ title for a custom vehicle or street rod, the model year and make of the vehicle must be listed on the ~~[certificate of]~~ title and must be the model year and make that the body of the vehicle resembles. The ~~[certificate of]~~ title must also include the word "replica."

SUBCHAPTER C. REFUSAL TO ISSUE, REVOCATION, SUSPENSION, OR ALTERATION OF TITLE ~~[CERTIFICATE]~~

Section 501.074(a): (a) The department shall issue a new title for a motor vehicle registered in this state for which the ownership is transferred by operation of law or other involuntary divestiture of ownership after receiving:

- (1) a certified copy of an order appointing a temporary administrator or of the probate proceedings;
- (2) letters testamentary or letters of administration;
- (3) if administration of an estate is not necessary, an affidavit showing that administration is not necessary, identifying all heirs, and including a statement by the heirs of the name in which the title ~~[certificate]~~ shall be issued;
- (4) a court order; or
- (5) the bill of sale from an officer making a judicial sale.

Section 501.091:

(10) "Nonrepairable vehicle title" means a nonrepairable record of title or printed document issued by the department that evidences ownership of a nonrepairable motor vehicle.

(16) "Salvage vehicle title" means a salvage record of title or printed document issued by the department that evidences ownership of a salvage motor vehicle.

Sec. 501.09111. RIGHTS AND LIMITATIONS OF NONREPAIRABLE VEHICLE TITLE OR ~~[, NONREPAIRABLE RECORD OF TITLE,]~~ SALVAGE VEHICLE TITLE ~~[, OR SALVAGE RECORD OF TITLE]~~.

Section 501.09111(b): (b) A person who holds a nonrepairable vehicle ~~[certificate of]~~ title issued prior to September 1, 2003, is entitled to the same rights listed in Subsection (a) and may repair, rebuild, or reconstruct the motor vehicle.

Section 501.09112: (b) A nonrepairable vehicle title must clearly indicate that the motor vehicle:

- (1) may not be:
 - (A) issued a ~~[regular]~~ title;
 - (B) registered in this state; or
 - (C) repaired, rebuilt, or reconstructed; and
- (2) may be used only as a source for used parts or scrap metal.
- (d) A salvage vehicle title ~~[or a salvage record of title]~~ for a vehicle that is a salvage motor vehicle because of damage caused exclusively by flood must bear a notation that the department considers appropriate. If the title

for a motor vehicle reflects the notation required by this subsection, the owner may sell, transfer, or release the motor vehicle only as provided by this subchapter.

(e) An electronic application for a nonrepairable vehicle title or [~~nonrepairable record of title,~~] salvage vehicle title [~~, or salvage record of title~~] must clearly advise the applicant of the same provisions required on a printed title.

(f) A nonrepairable vehicle title or [~~nonrepairable record of title,~~] salvage vehicle title [~~, or salvage record of title~~] in the department's electronic database must include appropriate remarks so that the vehicle record clearly shows the status of the vehicle.

Sec. 501.0925. INSURANCE COMPANY NOT REQUIRED TO SURRENDER [~~CERTIFICATES OF~~] TITLE IN CERTAIN SITUATIONS.

Section 501.0925: (a) An insurance company that acquires, through payment of a claim, ownership or possession of a motor vehicle covered by a [~~certificate of~~] title that the company is unable to obtain may obtain from the department not earlier than the 30th day after the date of payment of the claim:

(1) a salvage vehicle title for a salvage motor vehicle;

(2) a nonrepairable vehicle title for a nonrepairable motor vehicle; or

(3) a [~~regular certificate of~~] title for a motor vehicle other than a salvage motor vehicle or a nonrepairable motor vehicle.

(b) An application for a title under Subsection (a) must be submitted to the department on a form prescribed by the department and include:

(1) a statement that the insurance company has provided at least two written notices attempting to obtain the [~~certificate of~~] title for the motor vehicle; and

(2) evidence acceptable to the department that the insurance company has made payment of a claim involving the motor vehicle.

(c) An insurance company that acquires, through payment of a claim, ownership or possession of a motor vehicle covered by a [~~certificate of~~] title for which the company is unable to obtain proper assignment of the title certificate may obtain from the department not earlier than the 30th day after the date of payment of the claim:

(1) a salvage vehicle title for a salvage motor vehicle;

(2) a nonrepairable vehicle title for a nonrepairable motor vehicle; or

(3) a [~~regular certificate of~~] title for a motor vehicle other than a salvage motor vehicle or a nonrepairable motor vehicle.

(d) An application for a title under Subsection (c) must be submitted to the department on a form prescribed by the department and include:

(1) a statement that the insurance company has provided at least two written notices attempting to obtain a proper assignment of the [~~certificate of~~] title; and

(2) the [~~certificate of~~] title.

(f) An insurance company that acquires, through payment of a claim, ownership or possession of a salvage motor vehicle, or nonrepairable motor vehicle covered by an out-of-state ownership document may obtain from the department a salvage vehicle title, or nonrepairable vehicle title if:

(1) the motor vehicle was damaged, stolen, or recovered in this state;

(2) the motor vehicle owner from whom the company acquired ownership resides in this state; or

(3) otherwise allowed by department rule.

Sections 501.097: (a) An application for a nonrepairable vehicle title or [~~nonrepairable record of title,~~] salvage vehicle title [~~or salvage record of title~~] must:

(1) be made in a manner prescribed by the department and accompanied by a \$8 application fee;

(2) include, in addition to any other information required by the department:

(A) the name and current address of the owner; and

(B) a description of the motor vehicle, including the make, style of body, model year, and vehicle identification number; and

(3) include the name and address of:

(A) any currently recorded lienholder, if the motor vehicle is a nonrepairable motor vehicle; or

(B) any currently recorded lienholder or a new lienholder, if the motor vehicle is a salvage motor vehicle.

(c-1) The department's titling system must include a remark that clearly identifies the vehicle as a salvage motor vehicle or nonrepairable motor vehicle.

Sec. 501.100. APPLICATION FOR [~~REGULAR CERTIFICATE OF~~] TITLE FOR SALVAGE VEHICLE.

Section 501.100: (a) The owner of a motor vehicle for which a nonrepairable vehicle title issued prior to September 1, 2003, or for which a salvage vehicle title [~~or salvage record of title~~] has been issued may apply for a title after the motor vehicle has been repaired, rebuilt, or reconstructed and, in addition to any other requirement of law, only if the application:

(1) describes each major component part used to repair the motor vehicle;

(2) states the name of each person from whom the parts used in assembling the vehicle were obtained; and

(3) shows the identification number required by federal law to be affixed to or inscribed on the part.

(f) The department may not issue a [~~regular~~] title for a motor vehicle based on a:

(1) nonrepairable vehicle title or comparable out-of-state ownership document;

(2) receipt issued under Section 501.1003(b); or

(3) certificate of authority.

Section 501.1001: (b) For a salvage motor vehicle, the insurance company shall apply for a salvage vehicle title [~~or salvage record of title~~]. For a nonrepairable motor vehicle, the insurance company shall apply for a nonrepairable vehicle title [~~or nonrepairable record of title~~].

(c) An insurance company or other person who acquires ownership of a motor vehicle other than a nonrepairable motor vehicle or salvage motor vehicle may voluntarily and on proper application obtain a salvage vehicle title or [~~salvage record of title,~~] nonrepairable vehicle title [~~or nonrepairable record of title~~] for the vehicle.

(d) This subsection applies only to a motor vehicle in this state that is a self-insured motor vehicle and that is damaged to the extent it becomes a nonrepairable motor vehicle or salvage motor vehicle. The owner of a motor vehicle to which this subsection applies shall submit to the department before the 31st business day after the date of the damage, in a manner prescribed by the department, a statement that the motor vehicle was self-insured and damaged. When the owner submits a report, the owner shall surrender the ownership document and apply for a nonrepairable vehicle title or [~~nonrepairable record~~]

~~of title,~~] salvage vehicle title [~~, or salvage record of title~~].

Section 501.1002: (b) The owner of a salvage motor vehicle or nonrepairable motor vehicle may not transfer ownership of the motor vehicle by sale or otherwise unless the department has issued a salvage vehicle title or [~~, salvage record of title,~~] nonrepairable vehicle title [~~, or nonrepairable record of title~~] for the motor vehicle or a comparable ownership document has been issued by another state or jurisdiction for the motor vehicle in the name of the owner.

Sec. 501.1003. SALVAGE VEHICLE DEALER RESPONSIBILITIES. (a) If a salvage vehicle dealer acquires ownership of a nonrepairable motor vehicle or salvage motor vehicle for the purpose of dismantling, scrapping, or destroying the motor vehicle, the dealer shall, before the 31st day after the date the dealer acquires the motor vehicle, submit to the department a report stating that the motor vehicle will be dismantled, scrapped, or destroyed. The dealer shall:

(1) make the report in a manner prescribed by the department; and
(2) submit with the report a properly assigned manufacturer's certificate of origin, [~~regular certificate of~~] title, nonrepairable vehicle title, salvage vehicle title, or comparable out-of-state ownership document for the motor vehicle.

(b) After receiving the report and title or document, the department shall issue the salvage vehicle dealer a receipt for the manufacturer's certificate of origin, [~~regular certificate of~~] title, nonrepairable vehicle title, salvage vehicle title, or comparable out-of-state ownership document.

(c) The department shall adopt rules to notify the salvage vehicle dealer if the vehicle was not issued a printed title, but has a record of title in the department's titling system.

Section 501.107: (b) A metal recycler shall submit to the department the properly assigned manufacturer's certificate of origin, [~~regular certificate of~~] title, nonrepairable vehicle title, salvage vehicle title, or comparable out-of-state ownership document that the person receives in conjunction with the purchase of a motor vehicle not later than the 60th day after the date the metal recycler receives the title or out-of-state ownership document.

Section 501.109: (c) A person commits an offense if the person knowingly fails or refuses to surrender a [~~regular~~] certificate of title after the person:

(1) receives a notice from an insurance company that the motor vehicle is a nonrepairable motor vehicle or salvage motor vehicle; or
(2) knows the vehicle has become a nonrepairable motor vehicle or salvage motor vehicle under Section 501.1001.

Section 501.110: (b) The department, an agent, officer, or employee of the department, or another person enforcing this subchapter is not liable to a person damaged or injured by an act or omission relating to the issuance or revocation of a title, nonrepairable vehicle title, or [~~nonrepairable record of title,~~] salvage vehicle title [~~, or salvage record of title~~] under this subchapter.

Section 501.152: (a) Except as provided by this section, a person commits an offense if the person:

(1) sells, offers to sell, or offers as security for an obligation a motor vehicle registered in this state; and
(2) does not possess or have electronic access to the title receipt or [~~certificate of~~] title for the vehicle.

- 2. Salvage vehicle dealers that purchase vehicles from law enforcement auctions or foreclosure sales do not receive standard evidence of ownership documents like a title. An auction sales receipt is often the only proof of ownership available. The following amendment defines the term auction sales receipt in Section 501.091, Transportation Code. Amendments to Section 501.1003, Transportation Code, allow an auction sales receipt to be submitted by salvage vehicle dealers when they report that a salvage or nonrepairable motor vehicle will be scrapped, dismantled, or destroyed. This eliminates the need for an unnecessary title application for a vehicle that is going to be scrapped. These changes were included in House Bill 3531 (87R).**

Section 501.091: (1-a) "Auction sales receipt" means a document certifying the sale of a motor vehicle at auction by a law enforcement agency or public sale for a lien foreclosure.

Sec. 501.1003. SALVAGE VEHICLE DEALER RESPONSIBILITIES. (a) If a salvage vehicle dealer acquires ownership of a nonrepairable motor vehicle or salvage motor vehicle for the purpose of dismantling, scrapping, or destroying the motor vehicle, the dealer shall, before the 31st day after the date the dealer acquires the motor vehicle, submit to the department a report stating that the motor vehicle will be dismantled, scrapped, or destroyed. The dealer shall:

(1) make the report in a manner prescribed by the department; and
(2) submit with the report a properly assigned manufacturer's certificate of origin, ~~[regular certificate of]~~ title, nonrepairable vehicle title, salvage vehicle title, auction sales receipt, or comparable out-of-state ownership document for the motor vehicle.

(b) After receiving the report and title, manufacturer's certificate of origin, auction sales receipt, or document, the department shall issue the salvage vehicle dealer a receipt for the manufacturer's certificate of origin, ~~[regular certificate of]~~ title, nonrepairable vehicle title, salvage vehicle title, auction sales receipt, or comparable out-of-state ownership document.

(c) The department shall adopt rules to notify the salvage vehicle dealer if the vehicle was not issued a printed title, but has a record of title in the department's titling system.

- 3. Section 501.0925, Transportation Code, requires a vehicle to have been issued a paper title in Texas or another state for insurance companies to apply for title when unable to obtain the current title for the vehicle. The following amendment allows insurance companies to obtain title for a new vehicle that has been damaged, but not yet titled, and for vehicles that have been issued an electronic title. These changes were included in House Bill 3531 (87R).**

Sec. 501.0925. INSURANCE COMPANY NOT REQUIRED TO SURRENDER EVIDENCE OF OWNERSHIP ~~[CERTIFICATES OF TITLE]~~ IN CERTAIN SITUATIONS.

Section 501.0925: (a) An insurance company that acquires, through payment of a claim, ownership or possession of a motor vehicle covered by a ~~[certificate of]~~ title or a manufacturer's certificate of origin that the company is unable to obtain may obtain from the department not earlier than the 30th day after the date of payment of the claim:

(1) a salvage vehicle title for a salvage motor vehicle;
(2) a nonrepairable vehicle title for a nonrepairable motor vehicle; or

(3) a ~~[regular certificate of]~~ title for a motor vehicle other than a salvage motor vehicle or a nonrepairable motor vehicle.

(b) An application for a title under Subsection (a) must be submitted to the department on a form prescribed by the department and include:

(1) a statement that the insurance company has provided at least two written notices attempting to obtain the evidence of ownership ~~[certificate of title]~~ for the motor vehicle; and

(2) evidence acceptable to the department that the insurance company has made payment of a claim involving the motor vehicle.

(c) An insurance company that acquires, through payment of a claim, ownership or possession of a motor vehicle covered by a ~~[certificate of]~~ title or a manufacturer's certificate of origin for which the company is unable to obtain proper assignment of the title or manufacturer's certificate of origin ~~[certificate]~~ may obtain from the department not earlier than the 30th day after the date of payment of the claim:

(1) a salvage vehicle title for a salvage motor vehicle;

(2) a nonrepairable vehicle title for a nonrepairable motor vehicle; or

(3) a ~~[regular certificate of]~~ title for a motor vehicle other than a salvage motor vehicle or a nonrepairable motor vehicle.

(d) An application for a title under Subsection (c) must be submitted to the department on a form prescribed by the department and include:

(1) a statement that the insurance company has provided at least two written notices attempting to obtain a proper assignment of the evidence of ownership ~~[certificate of title]~~; and

(2) the evidence of ownership ~~[certificate of title]~~.

(f) An insurance company that acquires, through payment of a claim, ownership or possession of a motor vehicle, salvage motor vehicle, or nonrepairable motor vehicle covered by an out-of-state title or out-of-state ownership document may obtain from the department a title, salvage vehicle title, or nonrepairable vehicle title, as appropriate, if:

(1) the motor vehicle was damaged, stolen, or recovered in this state;

(2) the motor vehicle owner from whom the company acquired ownership resides in this state; or

(3) otherwise allowed by department rule.

4. Section 501.100, Transportation Code, requires issuance of a salvage vehicle title before a rebuilt Texas title can be obtained. The following amendment allows a vehicle with an out-of-state title comparable to a salvage vehicle title to be issued a rebuilt Texas title without the owner first having to apply for a salvage vehicle title with the department. This eliminates the need for customers to apply for a salvage vehicle title just to immediately surrender it for a rebuilt title. These changes were included in House Bill 3531 (87R).

Section 501.100: (a) The owner of a motor vehicle for which a nonrepairable vehicle title issued prior to September 1, 2003, ~~[or]~~ for which a salvage vehicle title ~~[or salvage record of title]~~ has been issued, or for which a comparable out-of-state ownership document for a salvage motor vehicle has been issued may apply for a title under Section 501.023 after the motor vehicle has been repaired, rebuilt, or reconstructed and, in addition to any other requirement of law, only if the application:

(1) describes each major component part used to repair, rebuild, or reconstruct the motor vehicle;

(2) states the name of each person from whom the parts used in repairing, rebuilding, or reconstructing ~~[assembling]~~ the vehicle were

obtained; and

(3) shows the identification number required by federal law to be affixed to or inscribed on the part.

(f) The department may not issue a [~~regular~~] title for a motor vehicle based on a:

(1) nonrepairable vehicle title issued on or after September 1, 2003, or comparable out-of-state ownership document or record, or evidence of a notation described by Section 501.09113(a)(2) on an out-of-state ownership document or record in the National Motor Vehicle Title Information System;

(2) receipt issued under Section 501.1003(b); or

(3) certificate of authority issued under Chapter 683.

DRAFT



Texas Department of Motor Vehicles

Proposed Legislative Recommendations Packet: **Registration & License Plate Items** (Transportation Code)

Items Previously Recommended by the Board (87th Regular Session, House Bill 3531):

1. Allow all authorized military license plates to be issued as “Disabled Veteran” (Section 504.202 Veterans with Disabilities)
2. Clarify that Legion of Merit license plates are exempt from registration fee (Section 504.316)
3. Exclude truck tractors from two plate requirement (Section 504.943 Operation of a Vehicle without License Plate)
4. Clarify wording and carrying requirements for temporary registration permits
 - a. Section 502.094 72- or 144 Hour Permits
 - b. Section 502.095 One-trip or 30-day Trip Permits
 - c. Section 502.474 Operation of One-trip Permit Vehicle

New Items for Recommendation to the 88th Texas Legislature:

5. Update references to state agencies
 - a. Section 502.413 Voluntary Contribution to Special Olympics Texas Fund
 - b. Section 504.602 Keep Texas Beautiful License Plates
 - c. Section 504.610 Texas Aerospace Commission License Plates
 - d. Section 504.619 Texas Commission for the Deaf and Hard of Hearing License Plates
 - e. Section 504.642 Texas Council on Child Welfare Boards License Plates
6. Clarify certain specialty license plate fees
 - a. Section 504.414 Professional Firefighter Plates
 - b. Section 504.512 Gold Star Mother, Father, Spouse, or Family Member
 - c. Section 504.513. Firefighters

- d. Section 504.516 Rental Trailer or Travel Trailer Fee: Trailer of Semitrailer
- e. Section 504.507 Forestry Vehicles
- 7. Repeal the Honorary Consul Specialty License Plate (Section 504.515 Honorary Consuls)
- 8. Clarification of certain license plate fees and allocations (Section 504.851 Contract with Private Vendor)
- 9. Clarifications to the registration of farm trailers less than 4,000 pounds, and related vehicles
 - a. Section 502.146 Certain Farm Vehicles and Drilling and Construction Equipment
 - b. Section 502.147 Certain Farm Trailers, Farm Semitrailers, Farm Tractors, and Implements of Husbandry (*New Proposed Section*)

DRAFT

- 1. The following amendments allow all license plate emblems and designs authorized in Transportation Code, Chapter 504, Subchapter D (Military Plates) to be on a disabled veteran license plate under Section 504.202, Transportation Code. The amendment provides consistent eligibility standards. These changes were included in House Bill 3531 (87R).**

Section 504.202: (e-1) Other than license plates issued under Subsection (h), license plates issued under this section may include, on request, ~~[÷~~

~~[(1) the emblem of the veteran's branch of service; or~~
~~[(2)] one emblem or design from another license plate to which the person is entitled under Subchapter D [Section 504.308, 504.309, 504.310(b), 504.311, 504.312, 504.313, 504.3135, 504.314, 504.315, 504.316, 504.3161, 504.318, 504.319, 504.320, 504.323, as added by Chapter 1085 (H.B. 3567), Acts of the 85th Legislature, Regular Session, 2017, or 504.325].~~

- 2. Eligible customers are issued one set of Legion of Merit license plates, authorized under Section 504.316, Transportation Code, without having to pay registration fees. This matches the treatment of similar types of military-related license plates. However, statute needs clarification under Section 504.3015 regarding the fee exemption. These changes were included in House Bill 3531 (87R).**

Section 504.3015: (a) A person applying for a set of license plates under this subchapter shall pay the registration fee required under Chapter 502 and the applicable special plate fee required under this section, except that one set of license plates shall be issued without the payment of the registration fee under:

- (1) Section 504.308;
- (2) Section 504.310(b);
- (3) Section 504.315, other than Subsections (c) and (q) of that section; ~~and~~
- (4) Section 504.316; and
- (5) Section 504.319.

- 3. The amendment clarifies that truck tractors are excluded from the general two license plate requirement but are included in the one plate requirement under Section 504.943, Transportation Code. This change was included in House Bill 3531 (87R).**

Section 504.943: (b) A person commits an offense if the person operates on a public highway during a registration period a road tractor, truck tractor, motorcycle, trailer, or semitrailer that does not display a license plate that:

- (1) has been assigned by the department for the period; and
- (2) complies with department rules regarding the placement of license plates.

4. Clarify wording and carrying requirements for temporary registration permits.

- a. **The 72 and 144-hour temporary registration permits can be issued to certain vehicles in lieu of regular registration. Unlike most other registration related provisions, statute does not expressly require the permit be carried in the vehicle under Section 502.094, Transportation Code. The amendment makes clear that a 72/144-hour permit must be carried in the vehicle during the times the permit is valid. Some elements of this proposal were included in House Bill 3531 (87R); other changes have been added to address recent department actions to prevent fraudulent activity. Specifically these new changes clarify the inspection requirement to obtain a permit.**

Section 502.094. 72- OR 144-HOUR TEMPORARY REGISTRATION PERMITS:

(a) The department may issue a temporary registration permit [~~in lieu of registration~~] for a commercial motor vehicle, trailer, semitrailer, or motor bus that:

(1) is owned by a resident of the United States, Canada, or the United Mexican States;

(2) is subject to registration in this state; and

(3) is not authorized to travel on a public highway because of the lack of registration in this state or the lack of reciprocity with the state or province in which the vehicle is registered.

(b) A temporary registration permit issued under this section is valid for the period stated on the temporary registration permit, effective from the date and time shown on the receipt issued as evidence of registration under this section.

(c) A person may obtain a temporary registration permit under this section by:

(1) applying to the county assessor-collector or the department;

(2) paying a fee of \$25 for a 72-hour temporary registration permit or \$50 for a 144-hour temporary registration permit in the manner prescribed by the department that may include a service charge for a credit card payment or escrow account;

(3) furnishing to the county assessor-collector or the department evidence of financial responsibility for the vehicle that complies with Sections 502.046(c) and 601.168(a); and

(4) submitting a copy of the applicable federal declaration form required by the Federal Motor Carrier Safety Administration or its successor in connection with the importation of a motor vehicle or motor vehicle equipment subject to the federal motor vehicle safety, bumper, and theft prevention standards.

(d) A county assessor-collector shall report and send a fee collected under this section in the manner provided by Section 502.198. The board by rule shall prescribe the format and content of a report required by this subsection.

(e) A vehicle issued a temporary registration permit under this section is subject to Subchapters B and F, Chapter 548, unless the vehicle:

(1) is registered in another state of the United States, in a province of Canada, or in a state of the United Mexican States; or

(2) is mobile drilling or servicing equipment used in the production of gas, crude petroleum, or oil, including a mobile crane or

hoisting equipment, mobile lift equipment, forklift, or tug.

(f) A commercial motor vehicle, trailer, semitrailer, or motor bus apprehended for violating a registration law of this state:

(1) may not be issued a temporary registration permit under this section; and

(2) is immediately subject to registration in this state.

(g) A person who operates a commercial motor vehicle, trailer, or semitrailer with an expired temporary registration permit issued under this section is considered to be operating an unregistered vehicle subject to each penalty prescribed by law.

(h) The department may establish one or more escrow accounts in the Texas Department of Motor Vehicles fund for the prepayment of a 72-hour ~~[permit]~~ or a 144-hour temporary registration permit. Any fee established by the department for the administration of this subsection shall be administered as required by an agreement entered into by the department.

(i) A temporary registration permit issued under this section must be carried in the vehicle, or, if the vehicle is a trailer or semitrailer, in the motor vehicle pulling the trailer or semitrailer, at all times during the period in which the permit is valid, including when the vehicle is being operated.

b. One-trip and 30-day temporary registration permits are required to be displayed in the rear window of the vehicle or attached to or carried in a vehicle with no rear window under Section 502.095, Transportation Code. The rear window display requirement differs from most other types of registration. The proposed amendment requires a one-trip or 30-day temporary permit to be displayed in a vehicle's rear license plate area or attached to the vehicle if there is no rear license plate area. The amendment also changes the term tag to permit for consistency and clarity and requires the permit receipt to be carried in the vehicle as prescribed by the department. Some elements of this proposal were included in House Bill 3531 (87R); other changes have been added to address recent department actions to prevent fraudulent activity. Specifically these new changes clarify the inspection requirement to obtain a permit.

Section 502.095 ONE-TRIP OR 30-DAY TEMPORARY REGISTRATION ~~[TRIP]~~ PERMITS:

(a) The department may issue a temporary registration permit ~~[in lieu of registration]~~ for a vehicle subject to registration in this state that is not authorized to travel on a public highway because of the lack of registration in this state or the lack of reciprocity with the state or country in which the vehicle is registered.

(b) A temporary registration permit issued under this section is valid for:

(1) one trip, as provided by Subsection (c); or

(2) 30 days, as provided by Subsection (d).

(c) A one-trip permit is valid for one trip between the points of origin and destination and those intermediate points specified in the application and registration receipt. Unless the vehicle is a bus operating under charter that is not covered by a reciprocity agreement with the state or country in which the bus is registered, a one-trip

permit is for the transit of the vehicle only, and the vehicle may not be used for the transportation of any passenger or property. A one-trip permit may not be valid for longer than 15 days from the effective date of registration.

(d) A 30-day temporary registration permit may be issued only to a passenger vehicle, a private bus, a trailer or semitrailer with a gross weight of not more than 10,000 pounds, a light truck, or a light commercial vehicle with a gross vehicle weight of more than 10,000 pounds that will operate unladen. A person may obtain multiple 30-day temporary registration permits. The department may issue a single registration receipt to apply to all of the periods for which the vehicle is registered.

(e) A vehicle issued a 30-day temporary registration permit under this section is subject to Subchapters B and F, Chapter 548.

(f) ~~(e)~~ A person may obtain a temporary registration permit under this section by:

(1) applying as provided by the department to:

(A) the county assessor-collector of the county in which the vehicle will first be operated on a public highway; or

(B) the department in Austin or at one of the department's vehicle title and registration regional offices;

(2) paying a fee, in the manner prescribed by the department including a registration service charge for a credit card payment or escrow account of:

(A) \$5 for a one-trip permit; or

(B) \$25 for each 30-day period; and

(3) furnishing evidence of financial responsibility for the vehicle in a form listed under Section 502.046(c).

(g) ~~(f)~~ A registration receipt shall be carried in the vehicle at all times during the period in which it is valid. The temporary registration permit ~~[temporary tag]~~ must contain all pertinent information required by this section and must be attached to the vehicle in the license plate display area located at the rear of the vehicle, so that the entire temporary registration permit is visible and legible at all times, including when the vehicle is being operated. If the vehicle does not have a license plate display area at the rear of the vehicle, the temporary registration permit [displayed in the rear window of the vehicle so that the tag is clearly visible and legible when viewed from the rear of the vehicle. If the vehicle does not have a rear window, the temporary tag] must be attached to ~~[on or carried in]~~ the vehicle to allow ready inspection. The registration receipt must be carried, in a manner prescribed by the department, in the vehicle at all times during the period in which it is valid.

(h) ~~(g)~~ The department may refuse and may instruct a county assessor-collector to refuse to issue a temporary registration permit for any vehicle if, in the department's opinion, the vehicle or the owner of the vehicle has been involved in operations that constitute an abuse of the privilege granted by this section. A registration issued after notice to a county assessor-collector under this subsection is void.

c. A one-trip permit is referred to as a temporary tag in Section 502.474, Transportation Code. For consistency and to avoid confusion with temporary tags issued by dealers and

converters, the amendment changes the term temporary tag to permit. This change was included in House Bill 3531 (87R).

Sec. 502.474. OPERATION OF ONE-TRIP PERMIT VEHICLE. A person commits an offense if the person operates a vehicle for which a one-trip permit is required without the registration receipt and properly displayed permit [~~temporary tag~~].

5. The names of state agencies have changed over time so references in statute to those agencies need to be updated.

a. Transportation Code Section 502.413 references the Department of Aging and Disability Services (DADS). DADS was merged into the Texas Health and Human Services Commission (HHSC) and no longer exists as a state agency. The Special Olympics Texas fund is now under the auspices of HHSC.

Sec. 502.413:

(e) The department shall consult with the Texas Health and Human Services Commission [~~Department of Aging and Disability Services~~] in performing the department's duties under this section.

(f) The Special Olympics Texas fund is created as a trust fund outside the state treasury to be held by the comptroller and administered by the Texas Health and Human Services Commission [~~Department of Aging and Disability Services~~] as trustee on behalf of Special Olympics Texas. The fund is composed of money deposited to the credit of the fund under this section. Money in the fund shall be disbursed at least monthly, without appropriation, to Special Olympics Texas to provide training and athletic competitions for persons with mental illness and intellectual disabilities.

b. Transportation Code Section 504.602 creates a litter-prevention and community-beautification program charity plate. The section references "the department" as the recipient of plate fees. In this chapter "the department" is defined as the Texas Department of Motor Vehicles which does not operate those programs; the Texas Department of Transportation does.

Sec. 504.602:

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be used in connection with the Texas Department of Transportation's [~~department's~~] litter prevention and community beautification programs.

c. Transportation Code Section 504.610 references the Texas Aerospace Commission which was abolished by the 78th Legislature. Related functions were transferred to the Texas Economic Development and Tourism Office (Government Code Section 481.0066).

Sec. 504.610. TEXAS AEROSPACE AND AVIATION [~~COMMISSION~~] LICENSE PLATES.

(a) The department may issue specialty license plates in recognition of Texas aerospace and aviation [~~the Texas Aerospace~~

~~Commission~~]. The department shall design the license plates in consultation with the aerospace and aviation office of the Texas Economic Development and Tourism Office [~~Texas Aerospace Commission~~].

d. Transportation Code Section 504.619 references the Texas Commission for the Deaf and Hard of Hearing, which no longer exists. The related programs are now managed by the Texas Health and Human Services Commission.

Sec. 504.619. [~~TEXAS COMMISSION FOR THE~~] DEAF AND HARD OF HEARING LICENSE PLATES.

(a) The department shall issue specialty license plates in support of the [~~Texas Commission for the~~] deaf [~~Deaf~~] and hard of hearing [~~Hard of Hearing~~]. The department shall design the license plates in consultation with the Texas Health and Human Services Commission [~~for the Deaf and Hard of Hearing~~].

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates:

(1) shall be deposited to the credit of the general revenue fund; and

(2) may be appropriated only to the Texas Health and Human Services Commission [~~for the Deaf and Hard of Hearing~~] for direct services programs, training, and education.

e. Transportation Code Section 504.642 references the Department of Protective and Regulatory Services, which is now the Department of Family and Protective Services. (FAS)

Sec. 504.642:

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of a special account for abused and neglected children established at the Department of Family and Protective [~~and Regulatory~~] Services. Money in the account may be used only by the Department of Family and Protective [~~and Regulatory~~] Services to fund programs and services supporting abused and neglected children under Section 264.004, Family Code.

6. Clarification of certain specialty license plate fees.

a. Transportation Code Section 504.400 states that plates issued under the subchapter are issued with no charge to the customer; however, Section 504.414 establishes a Professional Firefighter license plate as a fundraising specialty plate that has a plate fee. The amendment clears up contradictory wording within the subchapter and identifies the current plate fee of \$30. This amendment was identified through an inquiry from the Comptroller of Public Accounts.

Sec. 504.414:

(b) Notwithstanding Section 504.400, the fee for a set of license plates under this section is \$30. After deduction of the department's administrative costs in accordance with Section 504.801, the remainder of the fees from the sale of professional firefighter plates shall be

deposited to the credit of an account in the state treasury to be used by the nominated state agency for the purpose of making grants to support the activities of an organization of professional firefighters located in this state that provides emergency relief and college scholarship funds to the professional firefighters and their dependents.

- b. Transportation Code Section 504.512 is not clear that the Gold Star license plate is issued with no plate fee. The other license plates in the subchapter are expressly stated to have no fee for issuance; amendment provides clarity and consistency.**

Sec. 504.512:

(c) There is no fee for issuance of the license plates.

- c. Transportation Code Sections 504.513 is not clear that the Firefighter license plate is issued with no plate fee. The other license plates in the subchapter are expressly stated to have no fee for issuance; amendment provide clarity and consistency. The proposal also corrects the related association name, which has changed since the statute was enacted.**

Sec. 504.513. FIREFIGHTERS. (a) The department shall issue specialty license plates for:

(1) volunteer firefighters certified by:

(A) the Texas Commission on Fire Protection; or

(B) the State ~~Firefighter's~~ ~~[Firemen's]~~ and Fire Marshals' Association of Texas; and

(2) fire protection personnel as that term is defined by Section 419.021, Government Code.

(b) A person may be issued not more than three sets of license plates.

(c) There is no fee for issuance of the license plates.

- d. Transportation Code Section 504.516 is not clear that the Rental Trailer and the Travel Trailer license plates are issued with no plate fee. The other license plates in the subchapter are expressly stated to have no fee for issuance; amendment provides clarity and consistency.**

Sec. 504.516:

(c) There is no fee for issuance of the license plates.

- e. Transportation Code Section 504.507 refers to county-imposed fees under "this chapter," referencing Chapter 504. However, county fees are established in Transportation Code, Chapter 502. This proposed amendment clarifies that reference.**

Sec. 504.507:

(b) There is no fee for issuance of the license plates. The department shall:

(1) collect any fee that a county imposes under Chapter 502 ~~[this chapter]~~ for registration of a forestry vehicle; and

(2) send the fee to the appropriate county for disposition.

- 7. An honorary consul license plate is authorized under Section 504.515, Transportation Code. The Office of Foreign Missions, US Department of State reports misrepresentation of**

individual's status as an honorary consul can result in the plates use related to commission of certain crimes. The repeal of the plate eliminates the misuse of consular immunity by individuals who are not eligible due to temporary consular status or a change in consular status. Elimination of the plate will also assist law enforcement in cities with consular offices maintain and enforce traffic laws effectively.

At the State Department's request, several other states - including Colorado, Oklahoma and Louisiana - have taken, or are preparing, legislative actions to eliminate similar plates. As of July 2022, there are approximately 85 active Honorary Consul plates issued in Texas.

~~{Sec. 504.515. HONORARY CONSULS. (a) The department shall issue specialty license plates for a person who is an honorary consul authorized by the United States to perform consular duties. License plates issued under this section must include the words "Honorary Consul."}~~

~~(b) The fee for issuance of the license plates is \$40.}~~

8. **Transportation Code Section 504.851 establishes the operation of a private vendor contract for the marketing and sale of certain personalized or specialty license plates. Fees for many of these license plates are established throughout Chapter 504. The statute requires the board to establish fees by rule even for plates that have their fees established in statute. The following amendment removes the redundancy and adds language to authorize allocation of the personalization fee based on current practice.**

Sec. 504.851:

(c) Except as otherwise provided by law, the ~~[The]~~ board by rule shall establish the fees for the issuance or renewal of souvenir license plates, specialty license plates, or souvenir or specialty license plates that are personalized that are marketed and sold by the private vendor or hosted on the private vendor's website. The state's portion of the personalization fee may not be less than \$40 for each year issued. Other fees must be reasonable and not less than the amounts necessary to allow the department to recover all reasonable costs to the department associated with the evaluation of the competitive sealed proposals received by the department and with the implementation and enforcement of the contract, including direct, indirect, and administrative costs. A fee established under this subsection is in addition to:

(1) the registration fee and any optional registration fee prescribed by this chapter for the vehicle for which specialty license plates are issued;

(2) any additional fee prescribed by this subchapter for the issuance of specialty license plates for that vehicle; and

(3) any additional fee prescribed by this subchapter for the issuance of personalized license plates for that vehicle.

9. **Clarifications to the registration of farm trailers less than 4,000 pounds, and related vehicles.**

- a. **Farm trailers between 4,000 and 34,000 lbs. are required to have a distinguishing plate under Section 502.146, Transportation Code. Farm trailers less than 4,000 lbs. are not**

required to have the plate but may have the plate if the owner requests one. The amendment clarifies that farm trailers less than 4,000 lbs. can permissibly be issued the farm distinguishing plate.

Section 502.146: (a) The department shall issue distinguishing license plates to a vehicle described by Subsection (b) or (c). The department may issue distinguishing license plates to a vehicle with a gross weight of 4,000 pounds or less if the vehicle otherwise meets the requirements of subsection (b)(1). The fee for the license plates is \$5 and shall be deposited to the credit of the Texas Department of Motor Vehicles fund.

(b) An owner is not required to register a vehicle that is used only temporarily on the highways if the vehicle is:

(1) a farm trailer or farm semitrailer with a gross weight of more than 4,000 pounds but not more than 34,000 pounds that is used exclusively:

(A) to transport seasonally harvested agricultural products or livestock from the place of production to the place of processing, market, or storage;

(B) to transport farm supplies from the place of loading to the farm; or

(C) for the purpose of participating in equine activities or attending livestock shows, as defined by Section [87.001](#), Civil Practice and Remedies Code;

b. Farm trailers less than 4,000 lbs., farm tractors, and implements of husbandry have long been exempt from registration requirements. The statute that made the exemption explicit was inadvertently repealed several sessions ago. The amendment would make the long-standing exemption clear in statute. The TxDMV board recommended this amendment in a past legislative session.

Sec. 502.147. CERTAIN FARM TRAILERS, FARM SEMITRAILERS, FARM TRACTORS, AND IMPLEMENTS OF HUSBANDRY. An owner is not required to register a farm trailer or farm semitrailer that has a gross weight of 4,000 pounds or less or a farm tractor or an implement of husbandry, if the trailer, semitrailer, tractor, or implement is operated only temporarily on the highways.



Texas Department of Motor Vehicles

Proposed Legislative Recommendations Packet: **Oversize/Overweight Permits Items** (Transportation Code)

1. Clarify fee references for certain oversize/overweight permits
 - a. Section 621.353 Distribution of Fee for Permit for Excess Weight
 - b. Section 623.077 Highway Maintenance Fee
 - c. Section 623.009 Permit Fees for Governmental Entities (*New Proposed Section*)

2. Clarify the use of unladen lift permits
 - a. Section 623.181 Annual Permit
 - b. Section 623.191 Optional Procedure
 - c. Section 623.192 Permit to Move Unladen Lift Equipment Motor Vehicles
 - d. Section 623.193 Designated Route in Municipality
 - e. Section 623.194 Registration of Vehicle
 - f. Section 623.199 Determination Whether Vehicle Subject to Registration or Eligible for Distinguishing License Plate

1. Clarify fee references for certain oversize/overweight permits

- a. **The total fee for a weight tolerance permit consists of a base fee, an administrative fee, and an additional fee based on the number of counties selected. The fee amounts are specified in various sections of Chapter 623 but the allocation of those fees is specified Section 621.353, Transportation Code. The specific allocation of the additional fee based on the number of counties selected would benefit from the following clarification of the allocation of amounts deposited to the general revenue fund.**

Section 621.353: (c) The comptroller shall send each fee portion collected under Section 623.0111 that is allocated to the general revenue fund under that section for an excess weight permit to the counties designated on the application for the permit, with each county shown on the application receiving an amount determined according to the ratio of the total number of miles of county roads maintained by the county to the total number of miles of county roads maintained by all of the counties designated on the application.

- b. **The annual envelope permit described by Section 623.071, Transportation Code can be issued to either a vehicle or a company. The highway maintenance fee in Section 623.077 is not charged to either permit under current operations. The proposed amendment clarifies that the fee does not apply to either annual envelope permit.**

Section 623.077: (a) An applicant for a permit under this subchapter, other than a permit under Section 623.071(c) (3) or (d), must also pay a highway maintenance fee in an amount determined according to the following table: ...

- c. **Oversize/overweight permits must be obtained by governmental entities, including the military, for moving large equipment or loads. The vehicle moving the load must have either state or federal exempt license plates and are not required to pay the permit fee. Statute would benefit from clarification that the department can waive the permit fee in such cases by rule.**

Sec. 623.009. PERMIT FEES FOR GOVERNMENTAL ENTITIES. The department by rule may waive fees for permits issued by the department to governmental agencies.

2. Unladen lift permits are available for both self-propelled and trailer mounted equipment, such as cranes. Subchapters I and J, Chapter 623, Transportation Code would benefit from clarification that the permits are administered the same for trailer mounted lift equipment and self-propelled equipment.

Subchapter I. UNLADEN LIFT EQUIPMENT [~~MOTOR VEHICLE~~]; ANNUAL PERMIT

Section 623.181: (a) The department may issue an annual permit for the movement over a highway or road of this state of an unladen lift equipment motor vehicle or a combination of a truck-tractor and a trailer-mounted piece of unladen lift equipment that because of its design for use as lift equipment cannot comply with the restrictions set

~~out in Subchapter C of Chapter 621 and Section 621.101 [exceeds the maximum weight and width limitations prescribed by statute].~~

Subchapter J. UNLADEN LIFT EQUIPMENT ~~[MOTOR]~~ VEHICLES; TRIP PERMMITS

Sec. 623.191. OPTIONAL PROCEDURE. This subchapter provides an optional procedure for the issuance of a permit for the movement of an unladen lift equipment motor vehicle or a combination of a truck-tractor and a trailer-mounted piece of unladen lift equipment that because of its design for use as lift equipment cannot comply with the restrictions set out in Subchapter C of Chapter 621 and Section 621.101 [exceeds the maximum weight and width limitations prescribed by statute].

Sec. 623.192. PERMIT TO MOVE UNLADEN LIFT EQUIPMENT ~~[MOTOR]~~ VEHICLES. (a) The department may, on application, issue a permit to a person to move over a road or highway under the jurisdiction of the Texas Department of Transportation an unladen lift equipment motor vehicle or a combination of a truck-tractor and a trailer-mounted piece of unladen lift equipment that cannot comply with the restrictions set out in Subchapter C of Chapter 621 and Section 621.101.

(b) The department may not issue a permit under this section unless the vehicle or combination may be moved without material damage to the highway or serious inconvenience to highway traffic.

Section 623.193: (a) A municipality having a state highway in its territory may designate to the department the route in the municipality to be used by a vehicle or combination described by Section 623.192 operating over the state highway. The department shall show the designated route on each map routing the vehicle.

(b) If a municipality does not designate a route, the department shall determine the route of the vehicle or combination on each state highway in the municipality.

(c) A municipality may not require a fee, permit, or license for movement of the vehicle or combination [vehieles] on the route of a state highway designated by the municipality or department.

Sec. 623.194. A permit under this subchapter may be issued only if the following vehicle [the vehicle to be moved] is registered under Chapter 502 for the maximum gross weight applicable to the vehicle under Section 621.101 or has the distinguishing license plates as provided by Section 502.146 if applicable to the vehicle:

- (1) the unladen lift equipment motor vehicle; or
- (2) the trailer on which the unladen lift equipment is mounted.

Section 623.199: (a) The department may establish criteria to determine whether an unladen lift equipment motor vehicle or the trailer on which the unladen lift equipment is mounted [that because of its design for use as lift equipment exceeds the maximum weight and width limitations prescribed by statute] is subject to registration under Chapter 502 or eligible for the distinguishing license plate provided by Section 502.146.



Texas Department of Motor Vehicles

Proposed Legislative Recommendations Packet: MVCPA Board Requested Item:

- 1. The following proposed statutory additions/amendments would create a dedicated fund/account for the deposit of Motor Vehicle Crime Prevention Authority fee collections. This dedication would ensure the fee revenue could not be expended on other state purposes and encourage the full statutorily required appropriation to the program for release as grant program funding to law enforcement agencies and administrative costs each biennium.**

Section 1001.151, Transportation Code, is amended to read as follows:

Sec. 1001.151. TEXAS DEPARTMENT OF MOTOR VEHICLES FUND. (a) The Texas Department of Motor Vehicles fund is a special fund in the treasury outside the general revenue fund and the state highway fund.

(b) Except as provided by Subsection (c), and unless otherwise dedicated by the Texas Constitution, the fund consists of:

- (1) money appropriated by the legislature to the department;
- (2) money allocated to pay fund accounting costs and related liabilities of the fund;
- (3) gifts, grants, and donations received by the department;
- (4) money required by law to be deposited to the fund;
- (5) interest earned on money in the fund; and
- (6) other revenue received by the department.

~~(c) Money appropriated to the department for Motor Vehicle Crime Prevention Authority purposes and other revenue collected or received by the Motor Vehicle Crime Prevention Authority may not be deposited into the fund.~~

Transportation Code, is amended by adding Section 1006.156 to read as follows:

Sec. 1006.156. DEPOSIT AND APPROPRIATION OF REVENUE. All gifts, grants, and the fee described by Section 1006.153(e-1), Transportation Code, shall be deposited to the credit of a subaccount in the Texas Department of Motor Vehicles fund and may be appropriated only to the department for purposes of the authority under this chapter.

Board Policy Documents

Governance Process (10/13/11)

Strategic Planning (10/13/11)

Board Vision (4/7/16)

Agency Boundaries (9/13/12)

Texas Department of Motor Vehicles TxDMV Board Governance Policy

1. PURPOSE

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

2. SCOPE

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

3. POLICY

3.1. TxDMV Board Governing Style

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

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

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

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

3.2. TxDMV Board Primary Functions/Characteristics

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

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

3.2.2. Stewardship

- 3.2.2.1. Challenging the framework and vision of the agency.
- 3.2.2.2. Maintaining a forward looking perspective.
- 3.2.2.3. Ensuring the evolution, capacity and robustness of the agency so it remains flexible and nimble.

3.2.3. Oversight of Operational Structure and Operations

- 3.2.3.1. Accountability functions.
- 3.2.3.2. Fiduciary responsibility.
- 3.2.3.3. Checks and balances on operations from a policy perspective.
- 3.2.3.4. Protecting the integrity of the agency.

3.2.4. Ambassadorial and Legitimizing

- 3.2.4.1. Promotion of the organization to the external stakeholders, including the Texas Legislature, based on the vision of the agency.
- 3.2.4.2. Ensuring the interests of a broad network of stakeholders are represented.
- 3.2.4.3. Board members lend their positional, professional and personal credibility to the organization through their position on the board.

3.2.5. Self-reflection and Assessment

- 3.2.5.1. Regular reviews of the functions and effectiveness of the Board itself.
- 3.2.5.2. Assessing the level of trust within the Board and the effectiveness of the group processes.

3.3. Board Governance Investment

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

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

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

3.4. Practice Discipline and Assess Performance

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

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

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

Texas Department of Motor Vehicles Strategic Planning Policy

1. PURPOSE

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

2. SCOPE

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

3. POLICY

3.1. TxDMV Board Strategic Planning

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

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

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

1. PURPOSE

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

2. SCOPE

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

3. TxDMV MISSION

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

4. TxDMV VISION

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

5. TxDMV VALUES

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

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

6. TxDMV GOALS

6.1. GOAL 1 – Performance Driven

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

6.1.1. Key Objective 1

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

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

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

6.2. GOAL 2 – Optimized Services and Innovation

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

6.2.1. Key Objective 1

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

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

6.2.2. Key Objective 2

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

6.2.3. Key Objective 3

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

6.2.4. Key Objective 4

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

6.3. GOAL 3 – Customer-centric

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

6.3.1. Key Objective 1

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

6.3.2. Key Objective 2

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

6.3.3. Key Objective 3

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

6.3.4. Key Objective 4

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

6.3.5. Key Objective 5

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

6.3.6. Key Objective 6

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

6.3.7. Key Objective 7

TxDmv shall timely meet all legislative requests and mandates.

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

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

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

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

Accordingly, the TxDMV boundaries are as follows:

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

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

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

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

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

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