

Section 1

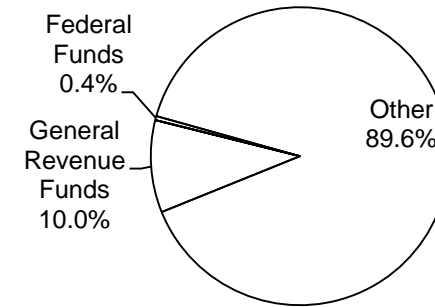
Department of Motor Vehicles
Summary of Recommendations - House

Page: VII-13
Whitney Brewster, Executive Director

Thomas Galvan, LBB Analyst

Method of Financing	2012-13 Base	2014-15 Recommended	Biennial Change	% Change
General Revenue Funds	\$29,808,681	\$29,808,681	\$0	0.0%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$29,808,681</i>	<i>\$29,808,681</i>	<i>\$0</i>	<i>0.0%</i>
Federal Funds	\$1,315,881	\$1,315,881	\$0	0.0%
Other	\$277,206,778	\$266,755,890	(\$10,450,888)	(3.8%)
All Funds	\$308,331,340	\$297,880,452	(\$10,450,888)	(3.4%)

RECOMMENDED FUNDING
BY METHOD OF FINANCING



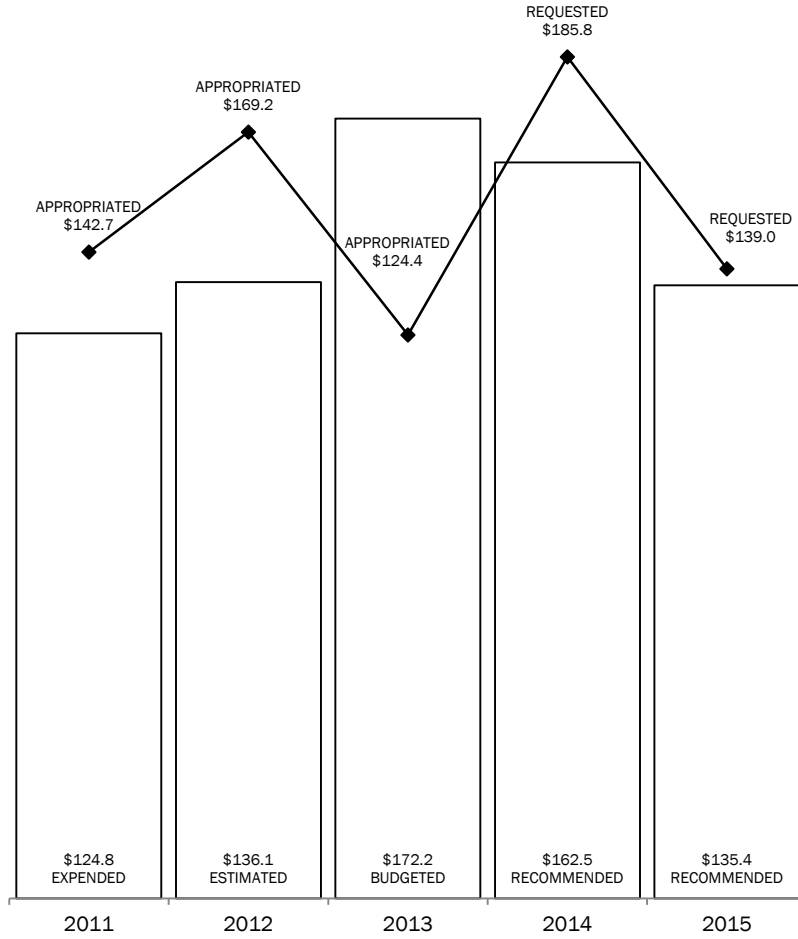
	FY 2013 Budgeted	FY 2015 Recommended	Biennial Change	% Change
FTEs	763.0	763.0	0.0	0.0%

The bill pattern for this agency (2014-15 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2014-15 biennium.

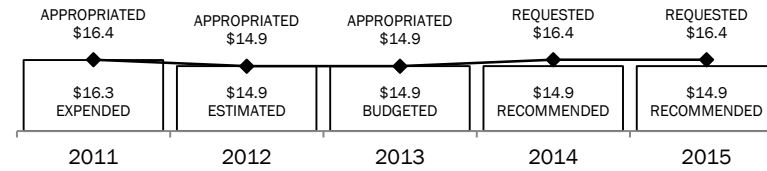
Section 1
Department of Motor Vehicles
2014-2015 BIENNIUM
 IN MILLIONS

TOTAL= \$297.9 MILLION

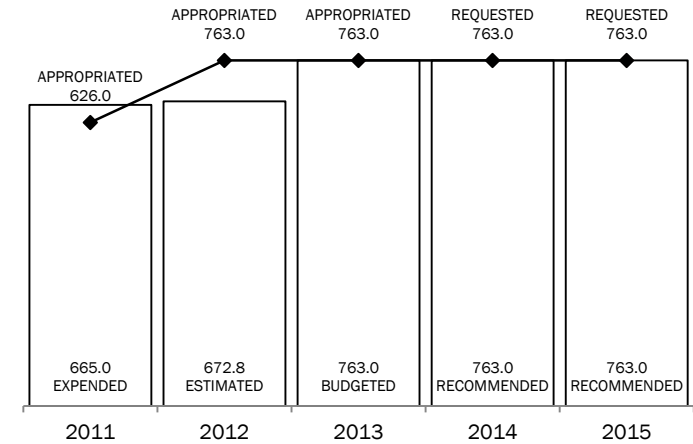
ALL FUNDS



**GENERAL REVENUE AND
 GENERAL REVENUE-DEDICATED FUNDS**



FULL-TIME-EQUIVALENT POSITIONS



Section 2

Department of Motor Vehicles
Summary of Recommendations - House, By Method of Finance -- ALL FUNDS

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments (Optional)
TITLES, REGISTRATIONS, AND PLATES A.1.1	\$132,994,833	\$131,700,485	(\$1,294,348)	(1.0%)	Recommendations include an increase of \$1.1 million in State Highway Funds for increased license plate, placard, and sticker production costs offset by a net reduction of \$2.4 million from capital technology replacements and upgrades for County Tax Assessor-Collector support and other operating costs in alignment with the agency's request.
VEHICLE DEALER LICENSING A.1.2	\$8,266,715	\$8,175,650	(\$91,065)	(1.1%)	
MOTOR CARRIER PERMITS & CREDENTIALS A.1.3	\$20,342,442	\$20,405,061	\$62,619	0.3%	
TECHNOLOGY ENHANCEMENT & AUTOMATION A.1.4	\$48,547,887	\$26,625,506	(\$21,922,381)	(45.2%)	Recommendations include a decrease of \$22.4 million in State Highway Funds for the TxDMV Automation System information technology project offset by a net increase of \$0.5 million for salaries and other operating costs. (See Selected Fiscal and Policy Issues #1.)
CUSTOMER CONTACT CENTER A.1.5	\$4,098,368	\$4,179,368	\$81,000	2.0%	
Total, Goal A, OPTIMIZE SERVICES AND SYSTEMS	\$214,250,245	\$191,086,070	(\$23,164,175)	(10.8%)	
ENFORCEMENT B.1.1	\$10,357,751	\$10,435,970	\$78,219	0.8%	
AUTOMOBILE THEFT PREVENTION B.2.1	\$29,790,858	\$29,808,681	\$17,823	0.1%	
Total, Goal B, PROTECT THE PUBLIC	\$40,148,609	\$40,244,651	\$96,042	0.2%	
CENTRAL ADMINISTRATION C.1.1	\$14,377,386	\$15,230,320	\$852,934	5.9%	
INFORMATION RESOURCES C.1.2	\$33,172,118	\$43,029,687	\$9,857,569	29.7%	Recommendations increase State Highway Funds by \$4.8 million for data center services based on the Department of Information Resources' estimated costs for current obligations (see Selected Fiscal and Policy Issues #2) and by \$5 million to implement Centralized Accounting and Payroll/Personnel System financial and human resources systems (see Selected Fiscal and Policy Issues #3).

Section 2

**Department of Motor Vehicles
Summary of Recommendations - House, By Method of Finance -- ALL FUNDS**

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments (Optional)
OTHER SUPPORT SERVICES C.1.3	\$6,382,982	\$8,289,724	\$1,906,742	29.9%	Recommendations include an increase of \$1.6 million in State Highway Funds for utilities and facilities maintenance costs at Texas Department of Transportation facilities occupied by the Department of Motor Vehicles in alignment with the agency's request.
Total, Goal C, INDIRECT ADMINISTRATION	\$53,932,486	\$66,549,731	\$12,617,245	23.4%	
Grand Total, All Strategies	\$308,331,340	\$297,880,452	(\$10,450,888)	(3.4%)	

**Department of Motor Vehicles
Selected Fiscal and Policy Issues**

1. **TxDMV Automation System.** Recommendations provide \$23.4 million in State Highway Funds and capital budget authority in the 2014–15 biennium for continuation of the TxDMV Automation System project in alignment with the agency’s request. Recommendations also provide appropriation authority in the 2014–15 biennium for any unexpended balances of appropriations (estimated to be \$0) remaining at the end of the 2012–13 biennium for this project (see Rider Highlights #3). The agency’s original appropriations request for the 2014–15 biennium (August 2012) reported that the project would be completed within the amount appropriated for the 2012–13 biennium (\$45.9 million). In October 2012, the agency revised its cost estimates based on a review of contractor bids and proposals for a major registration and titling system initiative under this project. In order to provide funding for the increased costs, the agency has revised its appropriations request to reallocate \$23.4 million in State Highway Funds to the TxDMV Automation System project out of \$43.7 million originally requested for the new Motor Vehicle Enterprise System (MoVES) project in fiscal year 2014. The remaining \$20.3 million requested for the MoVES project is not included in the recommendations (see Items not Included in Recommendations #1).
2. **Data Center Consolidation Services.** Recommendations increase capital budget authority and funding for the Data Center Consolidation project by \$4.8 million in State Highway Funds over the 2012–13 biennium due to cost increases for current service levels identified by the Department of Information Resources (DIR) for the 2014–15 biennium. Recommended capital budget appropriations for the Data Center Consolidation project total \$12.3 million in State Highway Funds for the biennium.
3. **Centralized Accounting and Payroll/Personnel System (CAPPS).** Recommendations provide \$5 million in State Highway Funds and capital budget authority to implement Centralized Accounting and Payroll/Personnel System (CAPPS) financial and human resources/payroll systems under the Comptroller’s statewide Enterprise Resource Planning Systems project (also known as ProjectONE). DMV currently uses the Department of Transportation’s (TxDOT) PeopleSoft system for human resource management. This system will no longer be available to DMV when TxDOT transitions from the current PeopleSoft system to CAPPS.
4. **Unexpended Balance Authority – Federal Grants.** Recommendations provide appropriation authority in the 2014–15 biennium for any unexpended balances of Federal Funds and the associated state matching funds appropriated to the agency for the 2012–13 biennium (estimated to be \$0). The agency’s 2012–13 appropriations include \$2 million in All Funds (\$1 million in Federal Funds and \$1 million in matching State Highway Funds) relate to a federal CVISN grant that transferred to DMV from TxDOT in fiscal year 2012. The recommendations would continue appropriation authority for the Federal Funds and matching state funds in 2014–15 in the event the funds are not fully expended or obligated in the 2012–13 biennium [see Rider Highlights #5 (new)].

Section 4

**Department of Motor Vehicles (DMV)
Performance Review and Policy Report Highlights**

Reports & Recommendations	Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
--------------------------------------	--------------------	----------------------------	-------------------------	------------------	--	---------------------------------------

NO RELATED RECOMMENDATIONS

Section 5

Department of Motor Vehicles Rider Highlights

2. **Capital Budget.** Recommendations amend this rider to (1) increase capital budget authority for Data Center Consolidation; (2) decrease capital budget authority for technology replacement and upgrade support for County Tax Assessor-Collector offices and the TxDMV Automation System information technology project; and (3) provide new capital budget authority for regional office remodeling, Commercial Vehicle Information Systems and Network (CVISN), and Centralized Accounting and Payroll/Personnel System (CAPPS) projects (see Selected Fiscal and Policy Issues #1 - #3 and Rider 3, below). Recommendations provide \$55.5 million in capital budget authority, which is a decrease of \$13.4 million from the 2012–13 level.
3. **Unexpended Balance and Capital Authority: TxDMV Automation Systems.** Recommendations amend this rider to provide appropriation authority in the 2014–15 biennium for unexpended balances remaining at the end of the 2012–13 biennium for this capital budget project (see Selected Fiscal and Policy Issues #1).
4. **Appropriation of Special License Plate Fees.** Recommendations amend the rider to specify the amount of appropriations from specialty license plate fees included in Strategy A.1.1, Titles, Registrations, and Plates, for the purpose of making contract payments to the vendor selected by the agency for the marketing and sale of personalized and specialty license plates.
5. (new) **Unexpended Balance Appropriation: Federal Grants and State Matching Funds.** The recommendations add a new rider to provide appropriation authority in the 2014–15 biennium for any unexpended balances of Federal Funds and appropriations of state matching funds remaining at the end of the 2012–13 biennium for the same purpose (see Selected Fiscal and Policy Issues #4).
5. (former) **Contingency for Senate Bill 9 or House Bill 2153: Automobile Burglary and Theft Prevention Authority Appropriation.** Recommendations delete this rider. Similar legislation was enacted in House Bill 1541, Eighty-second Legislature, Regular Session, 2011. Additional revenues were generated and appropriations were increased during the 2012–13 biennium for the purposes of this rider. These amounts were included in the agency's 2012–13 base and the 2014–15 recommendations.

Section 6

**Department of Motor Vehicles
Items not Included in Recommendations - House**

	<u>2014-15 Biennial Total</u>	
	<u>GR & GR- Dedicated</u>	<u>All Funds</u>
1. State Highway Funds and capital budget authority for the Motor Vehicle Enterprise System (MoVES) information resource technology project (see Selected Fiscal and Policy Issues #1).	\$ -	\$ 20,332,844
2. State Highway Funds and capital budget authority for regional office security a. \$336,000 in fiscal year 2014 for security equipment and installation costs b. \$477,000 (\$237,000 in fiscal year 2014; \$240,000 in fiscal year 2015) for ongoing security monitoring services	\$ -	\$ 813,000
3. State Highway Funds and capital budget authority for replacement signs for 16 regional offices in fiscal year 2014.	\$ -	\$ 50,000
4. General Revenue Funds for Automobile Burglary Theft Prevention Authority grants (contingent upon implementation of a 10 percent General Revenue reduction).	\$ 2,980,868	\$ 2,980,868
Total, Items Not Included in the Recommendations	\$ 2,980,868	\$ 24,176,712