

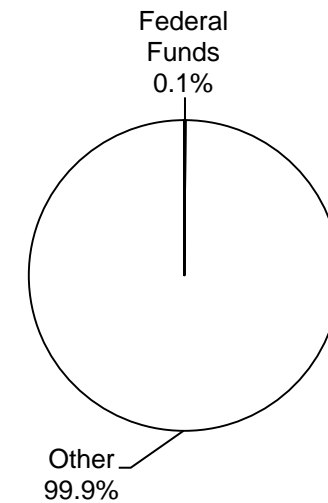
**Department of Motor Vehicles  
Summary of Recommendations - Senate**

Page VII-13  
Edward Serna, Executive Director

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<b>Method of Financing</b>	<b>2010-11 Appropriations<sup>1</sup></b>	<b>2010-11 Base<sup>1</sup></b>	<b>2012-13 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>
General Revenue Funds	\$200,000	\$31,415,681	\$0	(\$31,415,681)	(100.0%)
GR Dedicated Funds	\$0	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$200,000</i>	<i>\$31,415,681</i>	<i>\$0</i>	<i>(\$31,415,681)</i>	<i>(100.0%)</i>
Federal Funds	\$0	\$717,375	\$342,000	(\$375,375)	(52.3%)
Other	\$0	\$249,806,587	\$249,008,044	(\$798,543)	(0.3%)
<b>All Funds</b>	<b>\$200,000</b>	<b>\$281,939,643</b>	<b>\$249,350,044</b>	<b>(\$32,589,599)</b>	<b>(11.6%)</b>

RECOMMENDED FUNDING  
BY METHOD OF FINANCING

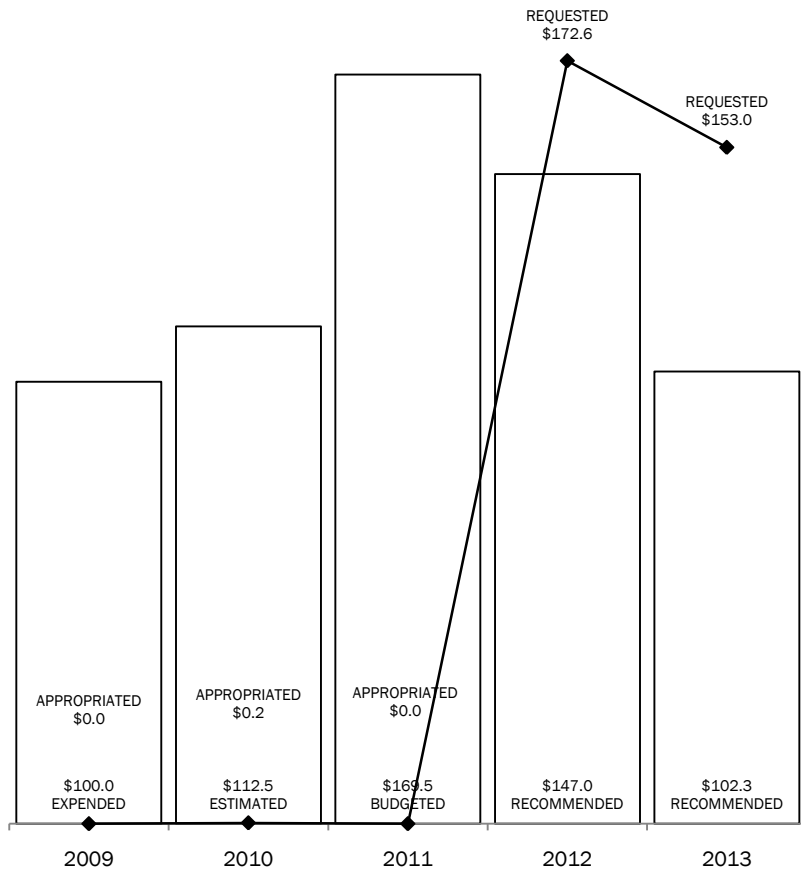


<b>FTEs</b>	<b>FY 2011 Appropriations<sup>1</sup></b>	<b>FY 2011 Budgeted<sup>1</sup></b>	<b>FY 2013 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>
	4.0	647.0	642.0	(5.0)	(0.8%)

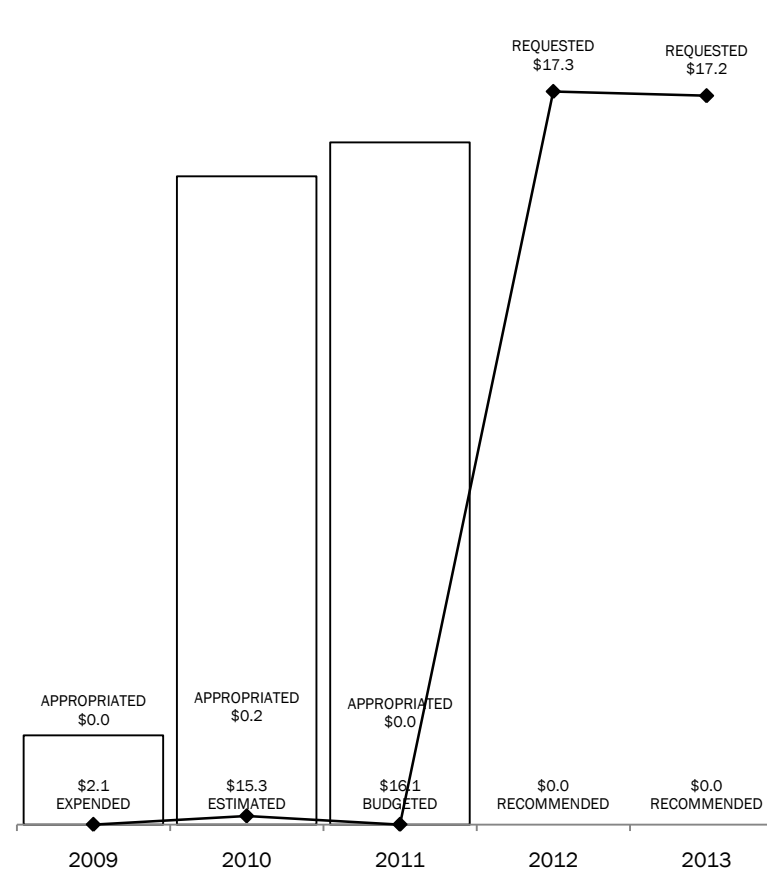
The bill pattern for this agency (2012-13 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2012-13 biennium.

<sup>1</sup> 2010-11 Appropriations reflect the direct appropriation to the Department of Motor Vehicles (DMV) of \$200,000 in General Revenue Funds in fiscal year 2010 and 4.0 FTEs in each year of the 2010-11 biennium, pursuant to Article IX, Sec. 17.30, Contingency Appropriation for House Bill 3097, subsection (a). The 2010-11 Base reflects (1) the agency's estimated fiscal year 2010 and budgeted fiscal year 2011 expenditures from direct appropriations; (2) appropriation transfers to DMV from funds originally appropriated to the Department of Transportation (TxDOT) for DMV-related programs for 2010-11, pursuant to subsection (b) of Article IX, Sec. 17.30; and (3) House Bill 3097, 81st Legislature, 2009, provisions, which appropriated to DMV for the 2010-11 biennium any unexpended balances remaining from TxDOT's DMV-related appropriations for fiscal year 2009.

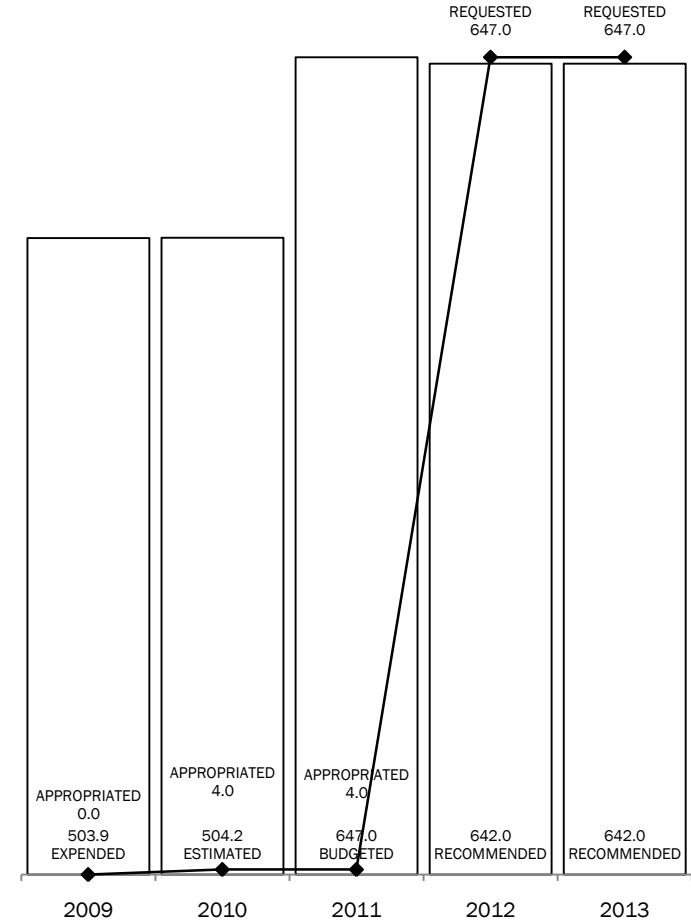
**ALL FUNDS**



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



**FULL-TIME-EQUIVALENT POSITIONS**



Section 2

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

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
VEHICLE REGISTRATION AND TITLING A.1.1	\$216,647,093	\$197,915,082	(\$18,732,011)	(8.6%)	<ul style="list-style-type: none"> <li>• Decrease State Highway Funds by \$24.5 million for one-time expenditures in 2010-11 (see Selected Fiscal and Policy Issues #4).</li> <li>• Decrease State Highway Funds by \$15.1 million for motor vehicle financial responsibility verification. The bill transfers program funding to the Department of Insurance (see Selected Fiscal and Policy Issues #5).</li> <li>• Decrease State Highway Funds by \$1.1 million for information resource technology growth and enhancements.</li> <li>• Decrease \$5.2 million in State Highway Funds due to reallocation of resources to A.2.2, and B.1.1, in alignment with the agency's request.</li> <li>• Net decrease in State Highway Funds of \$3.4 million for operating costs.</li> <li>• Increase State Highway Funds by \$30.6 million for registration and titling system automation and enhancements. (See Selected Fiscal and Policy Issues #6a.)</li> </ul>
VEHICLE DEALER REGULATION A.2.1	\$14,972,937	\$16,592,467	\$1,619,530	10.8%	<ul style="list-style-type: none"> <li>• Increase State Highway Funds by \$1.4 million to annualize salary and operating expenses for the biennium at full staffing level.</li> <li>• Increase State Highway Funds by \$435,221 for anticipated cost increases for cases with the State Office of Administrative Hearings.</li> <li>• Decrease State Highway Funds by \$258,088 for information resource technology growth and enhancements.</li> </ul>
MOTOR CARRIER REGISTRATION A.2.2	\$5,418,726	\$7,855,480	\$2,436,754	45.0%	<ul style="list-style-type: none"> <li>• Reallocate \$2 million in State Highway Funds for motor carrier registration personnel and operating funds previously allocated in Strategy A.1.1, Vehicle Registration and Titling, in alignment with the agency's request.</li> </ul>
AUTOMOBILE THEFT PREVENTION A.3.1	\$31,300,482	\$0	(\$31,300,482)	(100.0%)	<ul style="list-style-type: none"> <li>• Eliminate funding (\$29.1 million in General Revenue; \$2.2 million in State Highway Funds) and staffing (5.0 FTEs) for the Automobile Burglary and Theft Prevention Authority (see Selected Fiscal and Policy Issue #2).</li> </ul>
<b>Total, Goal A, DEPARTMENT OF MOTOR VEHICLES</b>	<b>\$268,339,238</b>	<b>\$222,363,029</b>	<b>(\$45,976,209)</b>	<b>(17.1%)</b>	

Section 2

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

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
INDIRECT ADMINISTRATION B.1.1	\$13,600,405	\$26,987,015	\$13,386,610	98.4%	<ul style="list-style-type: none"> <li>• Increase State Highway Funds by \$8.5 million for Data Center Services (see Selected Fiscal and Policy Issues #6b).</li> <li>• Increase State Highway Funds by \$1.7 million to annualize salary and operating expenses for the biennium at full staffing level.</li> <li>• Reallocate \$3.2 million in State Highway Funds from A.1.1, for Information Technology personnel (25.0 FTEs) in alignment with the agency's request.</li> </ul>
<b>Total, Goal B, INDIRECT ADMINISTRATION</b>	<b>\$13,600,405</b>	<b>\$26,987,015</b>	<b>\$13,386,610</b>	<b>98.4%</b>	
<b>Grand Total, All Strategies</b>	<b>\$281,939,643</b>	<b>\$249,350,044</b>	<b>(\$32,589,599)</b>	<b>(11.6%)</b>	

## Section 3

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

1. **New Department of Motor Vehicles.** The Department of Motor Vehicles (DMV) was established by the enactment of House Bill 3097, Eighty-first Legislature, 2009. Pursuant to the legislation, the agency began operations in November 2009 with the transfer of responsibilities, appropriations, and personnel for vehicle registration and titling, motor carrier registration and enforcement (with the exception of oversize/overweight permitting), motor vehicle dealer regulation, and the Automobile Burglary and Theft Prevention Authority to DMV from the Texas Department of Transportation (TxDOT).
2. **Program Funding and Staffing – Automobile Burglary and Theft Prevention Authority.** The bill eliminates funding for the Automobile Burglary and Theft Prevention Authority (ABTPA) for the 2012–13 biennium. The bill reduces General Revenue funding by \$29.1 million, reduce State Highway Funds by \$2.2 million from the 2010–11 level, and reduces staffing by 5.0 FTEs. (See Items not Included in the Recommendations #2.)
3. **GR Reduction and Method of Finance Swap – Motor Carrier Registration.** The bill reduces General Revenue funding for motor carrier registration by \$2.3 million from the 2010–11 funding level. The bill offsets the General Revenue reduction with an increase of \$1.6 million in State Highway Funds reallocated from agency funds previously allocated to the Registration and Titling strategy.
4. **One-time Expenditures.** The bill includes a reduction of \$24.5 million in State Highway Funds including \$22.3 million for settlement costs and attorney fees related to the *Meyers v. Texas* class action lawsuit and \$2.3 million for one-time software license costs in fiscal year 2010.
5. **TexasSure Motor Vehicle Financial Responsibility Verification Program.** The bill reduces State Highway Funds by \$15.1 million from the 2010–11 level due to the recommended transfer of funding for the TexasSure motor vehicle insurance verification program to the Texas Department of Insurance (TDI). Section 601.452, Transportation Code, establishes TDI as the lead implementing agency for the program. Section 502.1715, Transportation Code, establishes an additional fee of \$1 for registration or renewal of registration of a motor vehicle for which the owner is required to submit evidence of financial responsibility and specifies that, subject to appropriation, the fee may be used by TDI to implement the program. The bill provides \$8.4 million in State Highway Funds in TDI's budget for ongoing maintenance of the TexasSure insurance verification system.
6. **Capital Budget Authority and Appropriations.** The bill provides \$61.8 million in capital budget authority for the 2012–13 biennium and includes the following items and adjustments identified below.
  - a. **TxDMV Automation System (formerly Vision 21).** The bill provides State Highway Funds in an amount not to exceed \$45.9 million in alignment with the agency's request from anticipated unexpended balances of 2010–11 appropriations for the Vision 21-Core System vehicle registration and titling system project. Capital budget authority and appropriations to TxDOT for 2010–11 included \$62.8 million for the Vision 21-Core System project that were transferred to DMV with the enactment of House Bill 3097, Eighty-first Legislature, 2009. The Department of Motor Vehicles' estimated 2010–11 expenditures for the project total \$15.3 million. The funding in the bill results in an increase of \$30.6 million in State Highway Funds over 2010–11 expenditures for the project [See Rider Highlights #3 (new)].

### Section 3

- b. **Data Center Consolidation.** The bill increases State Highway Funds by \$8.5 million and provides capital budget authority for data center services costs based on the Department of Information Resources' current estimates for DMV. The agency's data center costs are currently funded under TxDOT's appropriation and capital authority for 2010–11.
- c. **Technology Replacements and Upgrades – Regional Support.** The bill includes \$13.7million in capital budget authority and State Highway Funds for the replacement of information resource technology upgrades to support regional vehicle titling and registration functions at county Tax Assessor Collector offices.
- d. **Growth and Enhancements.** The bill reduces capital budget authority and State Highway Funds by \$1.4 million for the replacement of desktop and laptop computers, peripheral devices, and other information resource technology upgrades. (See Items not Included in the Recommendations #1).

**Section 4**

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

<b>Reports &amp; Recommendations</b>	<b>GEER Report Page</b>	<b>Savings/ (Cost)</b>	<b>Gain/ (Loss)</b>	<b>Fund Type</b>	<b>Is included in the Introduced Bill</b>	<b>Action Required During Session</b>
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**NO RELATED RECOMMENDATIONS**

## Section 5

### Department of Motor Vehicles Rider Highlights

2. **Capital Budget.** The bill includes a rider to provide capital budget authority for the TxDMV Automation System (formerly Vision 21), data center services, and information resource technology upgrades for regional registration and titling operations (see Selected Fiscal and Policy Issues #6).
3. **(former) Appropriation Balances: Registration and Titling.** The bill deletes this rider. Appropriations and capital budget authority for vehicle registration and titling system enhancements and unexpended balance authority are included elsewhere in the agency's bill pattern.
3. **(new) Unexpended Balance and Capital Authority: TxDMV Automation Systems.** The bill adds a rider to specify that amounts appropriated in fiscal year 2012 for the TxDMV Automation System capital budget project are from unexpended balances of State Highway Funds anticipated to be remaining at the end of fiscal year 2011. The rider directs the Comptroller of Public Accounts to reduce the fiscal year 2012 appropriation to the amount of funds expected to be available in the event that actual unexpended balances are insufficient to cover the amount identified in the rider.
4. **(former) Auto Burglary and Theft Prevention.** The bill deletes this rider. Funding for the Automobile Burglary and Theft Prevention Authority is not included in the bill (see Selected Fiscal and Policy Issues #2 and Items not Included in the Recommendations #2).
5. **(former) Unexpended Balance Appropriation: Motor Vehicle Financial Responsibility.** The bill deletes this rider. The bill transfers funding for this program to the Texas Department of Insurance (see Selected Fiscal and Policy Issues #5).
6. **(former) Unexpended Balance Appropriation: Organ Donor Program - Voluntary Fee.** The bill deletes this rider. Funding for implementation of the donor education, awareness, and registry program is included in the Department of State Health Services' appropriations.
7. **(former) Appropriation of Special License Plate Fees.** The bill deletes this rider. Appropriations for contract payments are no longer necessary under the current personalized and specialty license plate marketing contract.



**Section 6**

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

**Agency Requested Items**

1. Restore State Highway Funds and Capital Budget authority for information resource technology growth and enhancements
2. Restore baseline General Revenue funding and staffing (5.0 FTEs) for the Automobile Burglary and Theft Prevention Authority (ABTPA)
  - a. \$2.1 million for staffing and operating funds
  - b. \$27.7 million for ABTPA grants

<b>2012-13 Biennial Total</b>	
<b>GR &amp; GR-Dedicated</b>	<b>All Funds</b>
\$ -	\$ 1,405,362
\$ 29,823,740	\$ 29,823,740
<b>\$ 29,823,740</b>	<b>\$ 31,229,102</b>