

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

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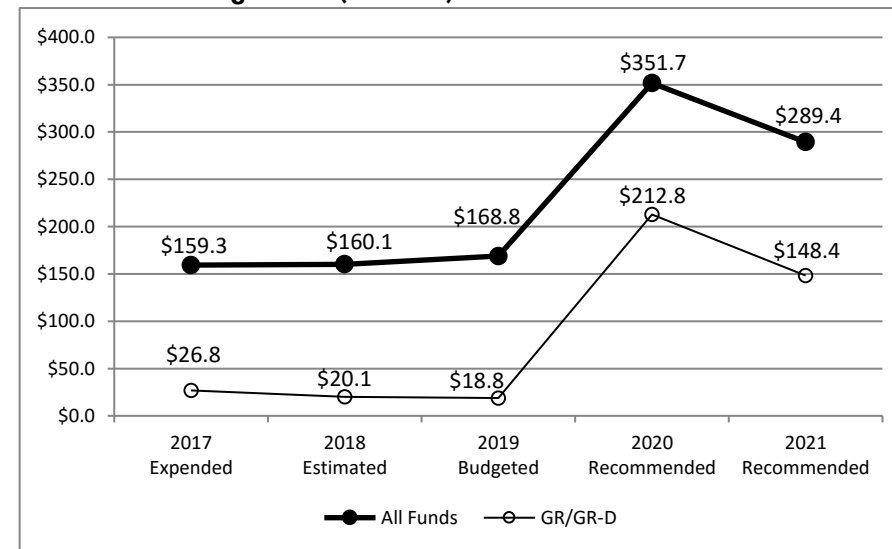
Whitney Brewster, Executive Director

Thomas Galvan, LBB Analyst

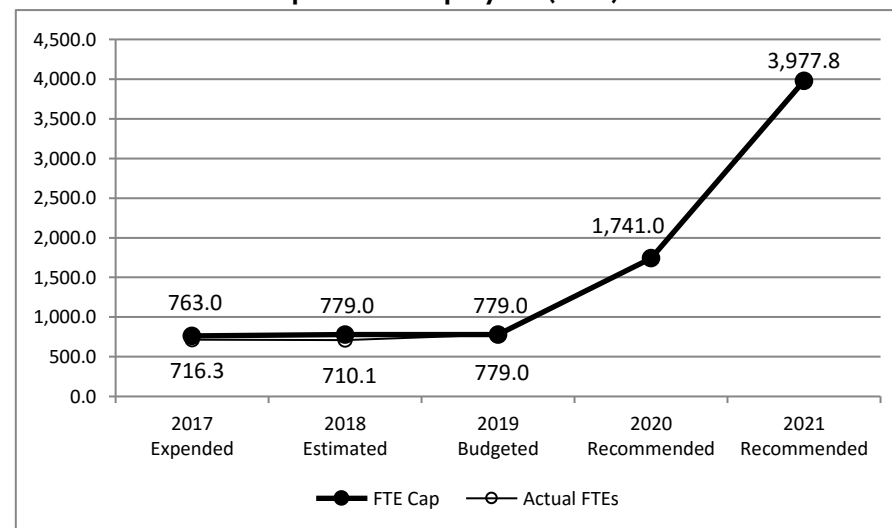
<b>Method of Financing</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change (\$)</b>	<b>Biennial Change (%)</b>
General Revenue Funds	\$38,917,804	\$361,232,039	\$322,314,235	828.2%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$38,917,804</i>	<i>\$361,232,039</i>	<i>\$322,314,235</i>	<i>828.2%</i>
Federal Funds	\$1,487,500	\$1,487,500	\$0	0.0%
Other	\$288,510,171	\$278,331,769	(\$10,178,402)	(3.5%)
<b>All Funds</b>	<b>\$328,915,475</b>	<b>\$641,051,308</b>	<b>\$312,135,833</b>	<b>94.9%</b>

	<b>FY 2019 Budgeted</b>	<b>FY 2021 Recommended</b>	<b>Biennial Change</b>	<b>Percent Change</b>
FTEs	779.0	3,977.8	3,198.8	410.6%

**Historical Funding Levels (Millions)**



**Historical Full-Time-Equivalent Employees (FTEs)**



The bill pattern for this agency (2020-21 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2020-21 biennium.

**Department of Motor Vehicles**  
**Summary of Funding Changes and Recommendations - House**

<b>Funding Changes and Recommendations for the 2020-21 Biennium compared to the 2018-19 Base Spending Level (in millions)</b>		<b>General Revenue</b>	<b>GR-Dedicated</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>All Funds</b>	<b>Strategy in Appendix A</b>
<b><i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i></b>							
A)	Contingency for driver license program transfer from Department of Public Safety	\$335.6	\$0.0	\$0.0	\$4.6	\$340.2	A.1.1
B)	TxDMV Automation System capital projects - transition of Registration and Titling System Automation and WebLien projects from development to maintenance	(\$13.3)	\$0.0	\$0.0	(\$5.2)	(\$18.4)	A.1.4
C)	Headquarters facilities deferred maintenance, repair, and security systems projects	\$0.0	\$0.0	\$0.0	(\$7.8)	(\$7.8)	C.1.3
D)	Headquarters facility routine maintenance and operations costs transition from Department of Transportation (TxDOT) to DMV	\$0.0	\$0.0	\$0.0	\$2.1	\$2.1	C.1.3
E)	Data Center Services and Cybersecurity Initiatives - decrease from one-time managed application services and managed security services	\$0.0	\$0.0	\$0.0	(\$1.8)	(\$1.8)	C.1.2
<b><i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i></b>							
F)	Vehicle registration transaction and specialty plate vendor costs	\$0.0	\$0.0	\$0.0	(\$1.5)	(\$1.5)	A.1.1
G)	Replacement Fleet Vehicles and New Vehicles for Compliance Investigations Division	\$0.0	\$0.0	\$0.0	(\$0.7)	(\$0.7)	A.1.1, B.1.1, C.1.3
H)	PC Replacement and Information Technology Hardware / Software Growth and Enhancements	\$0.0	\$0.0	\$0.0	\$0.2	\$0.2	C.1.2
I)	Biennialize salaries and other personnel costs at 2019 full staffing level	\$0.0	\$0.0	\$0.0	\$1.1	\$1.1	All Strategies
J)	Decrease from various operating expenses	\$0.0	\$0.0	\$0.0	(\$1.3)	(\$1.3)	All Strategies
<b>TOTAL SIGNIFICANT &amp; OTHER Funding Changes and Recommendations (in millions)</b>		<b>\$322.3</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$10.2)</b>	<b>\$312.1</b>	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Increases</i>		\$335.6	\$0.0	\$0.0	\$8.0	\$3.4	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Decreases</i>		(\$13.3)	\$0.0	\$0.0	(\$18.2)	(\$31.4)	As Listed

NOTE: Totals may not sum due to rounding.

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

1. **Sunset Review.**
  - a. **DMV Review and Recommendations.** The agency is currently undergoing Sunset review. The Sunset Commission recommends continuing the agency for 12 years through fiscal year 2031. Sunset staff recommendations adopted by the commission include statutory changes and management directives to improve title fraud monitoring; expand Automobile Burglary and Theft Prevention Authority grantees statutory authority to investigate more vehicle crimes, such as title and odometer fraud; improve enforcement data tracking and performance monitoring; and simplify salvage industry license requirements and require criminal history background checks on all license renewals. The Sunset staff report findings state that the agency's major information technology (IT) improvement efforts have overextended the agency's staff and management capabilities, resulting in challenges in balancing daily IT support needs with long-term improvement efforts. Sunset staff recommends that the agency undertake management actions to develop a comprehensive approach to developing, maintaining, and updating its IT infrastructure. The agency requests additional funding and FTEs for the 2020–21 biennium to fulfill its current daily IT support needs and to acquire additional hardware and software to support application development and testing (see Items Not Included in Recommendations #1 and #2).
  - b. **Department of Public Safety Driver License Program.** The Department of Public Safety (DPS) is also undergoing Sunset review. The Sunset staff report findings cited continuing customer service issues and information technology deficiencies in the DPS driver license program. The Sunset Commission recommends requiring DPS, contingent upon funding from the Eighty-sixth Legislature, 2019, to contract with an independent third party to perform an analysis and make recommendations regarding opportunities and challenges of transferring the driver license program to DMV. A report with the analysis and recommendations would be due to the Sunset Commission, legislative leadership, and the Governor by September 1, 2020. If the Eighty-sixth Legislature does not appropriate funding for the third party analysis, then the Sunset Commission recommends requiring the transfer of the driver license program to DMV effective September 1, 2021 (fiscal year 2022). The recommendation would require DPS and DMV to establish a working group to develop a transition plan and require DMV to study how it could use existing state and local property and staff to administer the driver license program.
2. **Contingency for Driver License Program Transfer.** Recommendations include increases of \$340.2 million in All Funds and 3,198.8 FTEs for the transfer of the driver license program from DPS to DMV and to improve service delivery contingent on the enactment of legislation relating to the transfer of the program by the Eighty-sixth Legislature, Regular Session. The funding includes \$135.6 million in General Revenue Funds, \$4.6 million in Other Funds, and 2,236.8 FTEs for the transfer of the program from DPS in fiscal year 2021; and an additional \$200.0 million in General Revenue Funds and 962.0 FTEs for the 2020–21 biennium for the purposes of increasing driver license staff and improving service delivery at current driver license offices. (See Rider Highlights, New Rider #10.)
3. **TxDMV Automation System.** Recommendations include \$6.6 million from the TxDMV Fund (All Funds decrease of \$18.4 million from the 2018–19 biennium) and capital budget authority for TxDMV Automation System projects for Registration and Titling System (RTS) enhancements to automate error handling, optimize batch processing, assist in fraud prevention, and repair production defects (see Rider Highlights #2). The agency reports that development and vendor maintenance of the RTS Refactoring Project and development of the WebDealer-e-Titles and Web Lien projects will be completed in the 2018–19 biennium. Recommendations maintain appropriation authority in the 2020–21 biennium for any unexpended balances remaining at the end of the 2018–19 biennium for ongoing project costs.
4. **Headquarters Facilities Maintenance and Operations.**
  - a. **Deferred Maintenance.** The agency's headquarters is located on the Department of Transportation's (TxDOT) Camp Hubbard campus in Austin. Since the establishment of the DMV as a standalone agency in fiscal year 2010, the agency has entered into and maintained a memorandum of understanding (MOU) with TxDOT specifying each agency's responsibilities relating to maintenance and operations of shared facilities owned by TxDOT. The Eighty-fifth Legislature, 2017, appropriated \$9.8 million in TxDMV Funds to the agency for the 2018–19 biennium for the anticipated transition of the full costs of routine facilities operations and maintenance and deferred capital maintenance costs of the TxDOT facilities occupied by DMV. The agency has budgeted \$7.4 million from this appropriation for building improvements and deferred maintenance. Recommendations include a decrease of \$7.4 million in Other Funds from budgeted

facilities maintenance projects in the 2018–19 biennium and provide appropriation authority in the 2020–21 biennium for any unexpended balances remaining at the end of the 2018–19 biennium for ongoing costs of any capital facilities projects (see Rider Highlights #8).

- b. **Routine Maintenance and Operations.** Recommendations include an increase of \$2.1 million in TxDMV Funds for the transition of headquarters facilities routine maintenance and operating costs from TxDOT to DMV in the 2020–21 biennium. The agency currently anticipates the full transfer of Camp Hubbard headquarters facilities operations and routine maintenance responsibilities will occur in fiscal year 2021 and projects a lapse of approximately \$2.4 million out of the \$9.8 million appropriation for headquarters facilities maintenance operations for the 2018–19 biennium.
  - c. **Headquarters Security Systems.** Recommendations include a decrease of \$0.4 million in TxDMV Funds and capital budget authority from one-time funding for the acquisition of headquarters security and badge entry systems in the 2018–19 biennium. The agency anticipates completing the security project in the 2020–21 biennium. Recommendations provide appropriation authority in the 2020–21 biennium for any unexpended balances remaining at the end of the 2018–19 biennium for ongoing project costs (see Rider Highlights #7).
5. **Data Center Services (DCS).** Recommendations include \$20.6 million in TxDMV Funds for the 2020–21 biennium to align with the Department of Information Resources' estimate to maintain current DCS obligations (see Rider Highlights #2). The agency's 2018–19 budget for DCS includes \$17.9 million for baseline obligations and \$4.6 million for optional one-time managed application services (MAS) and managed security services (MSS/cybersecurity) offered through the DCS program. Recommendations reflect a net decrease of \$1.9 million from 2018–19, including a decrease of \$4.6 million for MAS and MSS in 2018–19 offset by an increase of \$2.7 million for DCS current obligations in the 2020–21 biennium.
  6. **Automobile Burglary and Theft Prevention Authority.** Recommendations maintain General Revenue Funds for Automobile Burglary and Theft Prevention Authority (ABTPA) grants and administration at the 2018–19 funding level of \$25.7 million. State law requires insurance companies writing motor vehicle insurance policies in Texas to pay a fee of \$2.00 (ABTPA fee) for each motor vehicle year of insurance for policies issued by the insurer. The ABTPA fee is deposited to the General Revenue Fund. State law specifies that 50 percent of each fee collected may be appropriated only to the ABTPA. The Comptroller's Biennial Revenue Estimate for the 2020–21 biennium includes \$49.1 million in fiscal year 2020 and \$49.8 million in fiscal year 2021 (\$98.8 million for the 2020–21 biennium) in estimated revenue from the ABTPA fee.

Texas Department of Motor Vehicles (TxDMV)  
Quality Assurance Team (QAT) Highlights

Of TxDMV's three major information resource projects monitored by the Quality Assurance Team, one is over schedule, one is over budget and one is within budget and schedule. Details on two projects are listed below; information on the project that is within budget and on schedule is in the agency appendix.

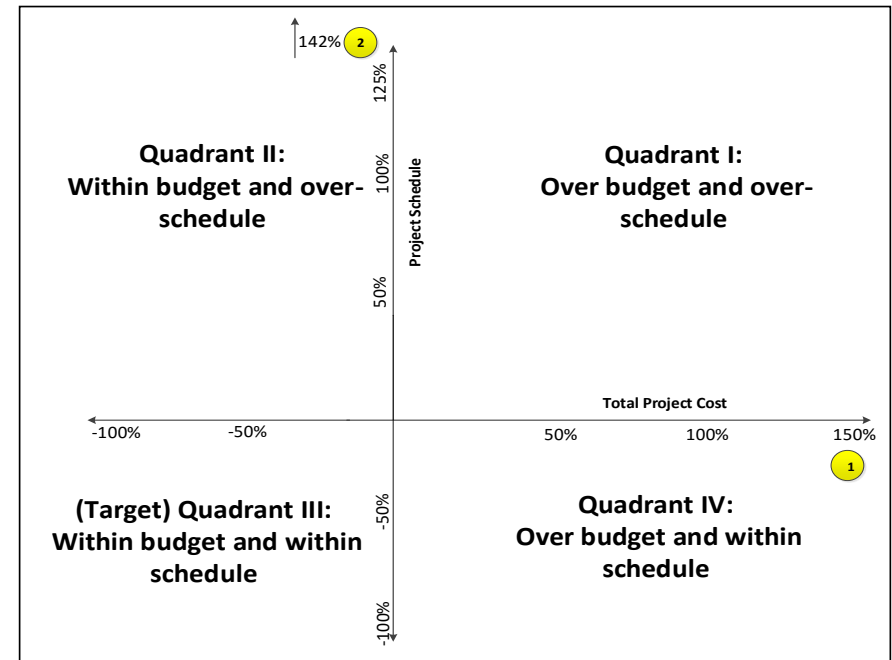
Summary of Total Costs (in millions) and Time Frames reported to the Quality Assurance Team\*

Project Name	Original Projected Cost	Current Projected Cost	Under / (Over) Initial Project Cost	Expenditures to Date	Original Timeline in Months	Current Timeline in Months	Months Ahead of / (Behind) Schedule	% Complete
1 Registration and Titling System (RTS) Refactoring	\$28.3	\$71.6	(\$43.3)	\$68.4	79	79	0	100%
2 WebDealer-eTitles	\$14.0	\$8.9	\$5.1	\$7.9	33	75	(42)	96%
<b>Project Totals (2)</b>	<b>\$42.3</b>	<b>\$80.5</b>	<b>-\$38.2</b>	<b>\$76.3</b>				

Note: The RTS project is 154% over-budget due to the initial underestimation of contract values.

Note: The WebDealer project is 124% over duration. The increase was due to two scope changes and one software issue.

Major Information Resources Projects



Legend

- Project which exceeds budget OR schedule
- Project which is over budget and behind schedule

\*Note: These figures reflect all project costs (Capital and Informational) and timelines from self-reported monitoring reports that are sent to the Quality Assurance Team (QAT) for review. QAT includes representatives from the Comptroller of Public Accounts, Department of Information Resources, Legislative Budget Board and the State Auditor's Office (Advisory Only).

**Texas Department of Motor Vehicles (TxDMV)  
Quality Assurance Team (QAT) Highlights**

**Significant Project Highlights**

**1 Registration and Titling System (RTS) Refactoring**

This project was appropriated \$45.9 million (State Highway Fund 6) for project development and authorized to begin in FY 2013 for a duration of 79 months (Capital Budget Rider - Automation System).

The project is designed to improve the Registration and Titling System by reorganizing its internal structure without altering its external behavior (Refactoring). Funding for this project is from the \$0.50 automation fee collected with each vehicle registration or renewal for technology improvements. The Legislature appropriated \$5.0 million in the FY 2018-2019 biennium for RTS Refactoring. Additionally, the 2018-19 appropriation funded programming to connect DMV's registration and titling system to all 254 counties and their 508 primary and substation locations.

While the agency has maintained the duration of the project since the initial project estimate, costs increased dramatically after the full scope was realized. Gartner, Inc., prepared the original RTS Refactoring project estimates and business case submitted to the QAT in March 2012. Due to the change in cost, QAT requested TxDMV to submit a revised business case in 2014 once vendors had been procured, and project plans had been developed.

**2 WebDealer-eTitles**

The project was appropriated \$9.0 million (State Highway Fund 6) for project development and authorized to begin in FY 2012 for a duration of 33 months (Capital Budget Rider - Automation System).

The agency's webDEALER-eTitles is a program that will allow dealers to process title applications and new registrations online, reducing both the time required to process transactions and the need for dealers to take paperwork for every car sale to their county tax assessor-collector office. In addition, the system includes eTitles, which creates, stores and transfers vehicle titles electronically. Hard copy paper titles are still available for public consumption.

The webDEALER-eTitles project implementation originally had four phases. In July 2016, DMV added a new phase to the project to include Process & Handling (P&H) fees.

In April 2018, the agency met with QAT regarding the interface from WebDEALER web application and the eTitle portion. The current web application for WebDEALER was not interfaced properly to the eTitle portion. No further support will be issued for the webDEALER software. DMV has developed a Risk Mitigation Plan to address the interface issue, but the agency has not formally chosen a path for moving forward. As a result, the project completion date has not been established by the agency.

**QAT Budget Highlights (in millions)**

Project Name	2018-19 Base	2020-21 Requested	2020-21 Recommended
1 RTS Refactoring	\$5.0	\$0.0	\$0.0
2 WebDealer-eTitles	\$0.0	\$0.0	\$0.0
<b>Total</b>	<b>\$5.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

\* Note: Requested amounts for 2020-21 include all baseline and exceptional item funding requested by the agency.

**Department of Motor Vehicles  
Rider Highlights - House**

**Modification of Existing Riders**

2. **Capital Budget.** Recommendations amend this rider to remove capital budget authority for one-time capital budget expenditures in the 2018–19 biennium and update capital budget authority to reflect recommended funding levels for the following items: (1) provide \$6.6 million in authority for TxDMV Automation System projects; (2) maintain \$1.6 million in capital authority for information technology growth and enhancements and increase authority for PC replacement from \$0.2 million to \$0.4 million to fund a six year refresh cycle; (3) maintain \$10.0 million in authority for technology replacements and upgrades support for county tax assessor-collector offices; (4) decrease authority for replacement vehicles from \$0.8 million to \$0.2 million to replace eight vehicles exceeding 10 years of age and 150,000 miles; (5) maintain \$0.4 million in authority for cybersecurity initiatives; and provide \$20.6 million in authority for Data Center Consolidation to reflect estimated costs to maintain current obligations.
3. **Appropriation of Special License Plate Fees.** Recommendations amend this rider to update the amount of appropriations from specialty license plate fees deposited to the Texas Department of Motor Vehicles Fund that are 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.

**New Riders**

6. **Unexpended Balance Appropriation: Federal Grants and State Matching Funds.** Recommendations add a rider to provide appropriation authority in the 2020–21 biennium for any unexpended balances of Federal Funds and appropriations of state matching funds remaining at the end of the 2018–19 biennium for the same purpose.
7. **Unexpended Balance Appropriation: TxDMV Headquarters Security and Badge System.** Recommendations add a rider to provide appropriation authority in the 2020–21 biennium for any unexpended balances of appropriations remaining at the end of the 2018–19 biennium for acquisition of security and badge system (see Selected Fiscal and Policy Issues #3c).
8. **Unexpended Balance Appropriation: TxDMV Headquarters Maintenance Projects.** Recommendations add a rider to provide appropriation authority in the 2020–21 biennium for any unexpended balances of appropriations remaining at the end of the 2018–19 biennium for agency headquarter capital maintenance projects (see Selected Fiscal and Policy Issues #3a).
9. **Sunset Contingency.** Recommendations add a contingency provision for the agency’s upcoming Sunset review (see Selected Fiscal and Policy Issues #1).
10. **Contingency for Driver License Program Transfer.** Recommendations add a rider to appropriate funding to the Department of Motor Vehicles (DMV) for the transfer of the driver license program from the Department of Public Safety to the DMV contingent on the enactment of legislation relating the program transfer by the 86<sup>th</sup> Legislature, Regular Session (see Selected Fiscal and Policy Issues #2).

**Deleted Riders**

5. **Unexpended Balance Appropriation: Department of Motor Vehicles Austin Bull Creek.** Recommendations delete this rider. The agency’s Bull Creek campus operations were relocated in fiscal year 2018.

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

	2020-21 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2022-23
	GR & GR-D	All Funds	FTEs			

**Agency Exceptional Items Not Included (in agency priority order)**

1)	Funding from the TxDMV Fund (Other Funds) for information technology infrastructure (IT) improvements, including contract services, data center services, and database licenses to facilitate application development and maintenance and IT infrastructure updates (see Selected Fiscal and Policy Issues #1 a).	\$0	\$2,700,000	0.0	Yes	Yes	\$1,700,000
2)	Funding from the TxDMV Fund and 12.0 FTEs to maintain and support IT systems and infrastructure (see Selected Fiscal and Policy Issues #1 a).	\$0	\$1,922,568	12.0	No	No	\$1,831,308
3)	Funding from the TxDMV Fund to (1) develop a public facing database for motor vehicle and motor carrier licensee case histories; (2) enhance the agency's case management system to improve reporting of enforcement data; and (3) provide software tools to assist in fraud detection and investigations.	\$0	\$567,500	0.0	Yes	Yes	\$195,000
4)	Funding from the TxDMV Fund and 9.0 FTEs for eight additional Customer Service Representatives and one trainer in the agency's Consumer Relations Division.	\$0	\$904,005	9.0	No	No	\$835,830
5)	Funding from the TxDMV Fund for increases in the agency's Statewide Cost Allocation Plan (SWCAP) allocation.	\$0	\$1,902,000	0.0	No	No	\$2,700,000
6)	Funding from the TxDMV Fund and capital budget authority for repair and rehabilitation of buildings and facilities to repair and renovate agency headquarters facilities.	\$0	\$5,112,000	0.0	Yes	Yes	\$0
7)	Funding from the TxDMV Fund and capital budget authority for repair and rehabilitation of buildings and facilities to renovate two regional service center facilities.	\$0	\$500,000	0.0	No	Yes	\$0



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

		2020-21 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2022-23
		GR & GR-D	All Funds	FTEs			
8)	Additional General Revenue for additional Automobile Burglary and Theft Prevention Authority (ABTPA) grant funding to add prosecutors, criminal intelligence analysts, and automotive cybersecurity analysts to assist ABTPA law enforcement; and to fund pilot projects for new prevention and recovery technology.	\$6,600,000	\$6,600,000	0.0	No	Yes	\$6,000,000
9)	Additional General Revenue for ABTPA grants to implement recommendations in the Sunset Advisory Committee's Staff Report (April 2018, Issue 2.6) for statutory changes to increase the scope of ABTPA law enforcement programs (see Selected Fiscal and Policy Issues #1a).	\$17,400,000	\$17,400,000	0.0	No	Yes	\$13,102,560
10)	New rider, Unexpended Balances within the Biennium, to appropriate unexpended balances remaining in the first year of the biennium in the second year of the biennium for the same purposes.	\$0	\$0	0.0	No	No	\$0
<b>TOTAL Items Not Included in Recommendations</b>		<b>\$24,000,000</b>	<b>\$37,608,073</b>	<b>21.0</b>			<b>\$26,364,698</b>

**Department of Motor Vehicles  
Appendices - House**

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\* Appendix is not included - no significant information to report

\*\* Information is included in the presentation section of the packet

**Department of Motor Vehicles**  
**Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS**

Strategy/Goal	2018-19 Base	2020-21 Recommended	Biennial Change	% Change	Comments
TITLES, REGISTRATIONS, AND PLATES A.1.1	\$144,610,333	\$482,353,499	\$337,743,166	233.6%	Increase of \$337.7 million due to the following: - An increase of \$335.6 million in General Revenue and \$4.6 million in Other Funds for the transfer of the driver license program from the Department of Public Safety to the Department of Motor Vehicles, contingent upon the enactment of legislation; - A decrease of \$1.5 million for vehicle registration transaction costs and specialty license plate vendor costs; - A decrease of \$0.5 million for replacement vehicles; and - A decrease of \$0.4 million for utilities and other operating costs.
VEHICLE DEALER LICENSING A.1.2	\$8,294,710	\$8,294,710	\$0	0.0%	
MOTOR CARRIER PERMITS & CREDENTIALS A.1.3	\$18,438,467	\$18,296,274	(\$142,193)	(0.8%)	Decrease includes a reallocation of resources to Strategy A.1.5, to consolidate call center activities and a decrease in operating expenses.
TECHNOLOGY ENHANCEMENT & AUTOMATION A.1.4	\$30,693,422	\$11,949,000	(\$18,744,422)	(61.1%)	Decrease of \$18.7 million due to the following: - A net decrease of \$18.4 million for TxDMV Automation System capital projects; - A decrease of \$0.4 million operating expenses due to the completion of automation project development in 2018-19; and - A net increase of \$0.1 million to biennialize salaries and wages and other personnel costs at the 2019 staffing level.
CUSTOMER CONTACT CENTER A.1.5	\$5,082,968	\$5,653,804	\$570,836	11.2%	Increase due to the agency's reallocation of resources from Strategies A.1.3, and C.1.2, to consolidate call center activities.
<b>Total, Goal A, OPTIMIZE SERVICES AND SYSTEMS</b>	<b>\$207,119,900</b>	<b>\$526,547,287</b>	<b>\$319,427,387</b>	<b>154.2%</b>	

**Department of Motor Vehicles**  
**Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS**

Strategy/Goal	2018-19 Base	2020-21 Recommended	Biennial Change	% Change	Comments
ENFORCEMENT B.1.1	\$13,642,772	\$13,920,886	\$278,114	2.0%	Increase of \$0.3 million due to the following: - An increase of \$0.6 million to biennialize salaries and wages and other personnel costs at the 2019 staffing level; - A decrease of \$0.2 million for new vehicles and one-time costs for the Compliance Investigations Division; and - A net decrease of \$0.1 million in other operating expenses.
AUTOMOBILE THEFT PREVENTION B.2.1	\$25,671,702	\$25,671,702	\$0	0.0%	
<b>Total, Goal B, PROTECT THE PUBLIC</b>	<b>\$39,314,474</b>	<b>\$39,592,588</b>	<b>\$278,114</b>	<b>0.7%</b>	
CENTRAL ADMINISTRATION C.1.1	\$16,079,416	\$16,354,086	\$274,670	1.7%	Increase due to the agency's reallocation of resources from Strategies C.1.2, and C.1.3, to align financial and audit functions.
INFORMATION RESOURCES C.1.2	\$50,062,270	\$48,041,499	(\$2,020,771)	(4.0%)	Decrease of \$2.0 million due to the following: - A decrease of \$1.9 million for Data Center Services, primarily due to one-time costs for managed application services in support of the WebDealer and eTitles projects in 2019; - A decrease of \$0.3 million due to the agency's reallocation of resources to Strategies A.1.5, and C.1.1; - A net decrease of \$0.2 million in other operating expenses; and - An increase of \$0.4 million for PC replacement and cybersecurity initiative projects.

**Department of Motor Vehicles  
Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS**

<b>Strategy/Goal</b>	<b>2018-19 Base</b>	<b>2020-21 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
OTHER SUPPORT SERVICES C.1.3	\$16,339,415	\$10,515,848	(\$5,823,567)	(35.6%)	Decrease of \$5.8 million due to the following: - A decrease of \$7.4 million for agency headquarters facilities maintenance and repair capital budget projects; - A decrease of \$0.3 million for the headquarters security and entry badge system capital project; - A decrease of \$0.1 million for replacement vehicles; and - An increase of \$2.0 million for the transition of headquarters facility operations and maintenance responsibilities from the Department of Transportation to DMV, anticipated to occur in 2020-21.
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$82,481,101</b>	<b>\$74,911,433</b>	<b>(\$7,569,668)</b>	<b>(9.2%)</b>	
<b>Grand Total, All Strategies</b>	<b>\$328,915,475</b>	<b>\$641,051,308</b>	<b>\$312,135,833</b>	<b>94.9%</b>	

**Department of Motor Vehicles  
FTE Highlights - House**

<b>Full-Time-Equivalent Positions</b>	<b>Expended 2017</b>	<b>Estimated 2018</b>	<b>Budgeted 2019</b>	<b>Recommended 2020</b>	<b>Recommended 2021</b>
Cap	763.0	779.0	779.0	3,015.8	3,977.8
Actual/Budgeted	716.3	710.1	779.0	NA	NA
<i>Recommended FTEs - Current Department of Motor Vehicles Programs</i>	NA	NA	NA	779.0	779.0
<i>Recommended FTEs - Contingency for Driver License Program Transfer</i>	NA	NA	NA	2,236.8	3,198.8

<b>Schedule of Exempt Positions (Cap)</b>					
Executive Director, Group 5	\$192,128	\$192,128	\$192,128	\$192,128	\$192,128

Notes:

a) Recommended 2020 and 2021 amounts include 779.0 FTEs each fiscal year to maintain current Department of Motor Vehicles (DMV) programs at the fiscal year 2019 budgeted level and provide an additional 2,236.8 FTEs in fiscal year 2020 and 3,198.8 FTEs in fiscal year 2021 contingent upon the enactment of legislation by the 86th Legislature, Regular Session, relating to the transfer of the driver license program from the Department of Public Safety to DMV. (See Selected Fiscal and Policy Issues #2 and Rider Highlights, New Rider #10.)

b) The State Auditor's Office Report, Executive Compensation at State Agencies (Report 18-705, August 2018), indicates a market average salary of \$213,409 for the Executive Director position at the Department of Motor Vehicles. The report also recommends changing the salary classification group from 5 to 7. The agency is requesting to increase the salary cap for the Executive Director from \$192,128 to \$197,415.

**Department of Motor Vehicles  
Summary of Ten Percent Biennial Base Reduction Options - House**

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Program GR/GR-D Total	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs				
1)	ABTPA Grant Reduction	Reduce Automobile Burglary and Theft Prevention Authority (ABTPA) grants by 2.5 percent	\$682,587	\$682,587	0.0	\$0	3%	\$25,671,702	No
2)	ABTPA Grant Reduction	Same as above	\$682,587	\$682,587	0.0	\$0	3%	\$25,671,702	No
3)	ABTPA Grant Reduction	Same as above	\$682,587	\$682,587	0.0	\$0	3%	\$25,671,702	No
4)	ABTPA Grant Reduction	Same as above	\$682,588	\$682,588	0.0	\$0	3%	\$25,671,702	No
<b>TOTAL, 10% Reduction Options</b>			<b>\$2,730,349</b>	<b>\$2,730,349</b>	<b>0.0</b>	<b>\$0</b>			

**Texas Department of Motor Vehicles (TxDMV)  
Quality Assurance Team (QAT) Highlights - House**

**TxDMV has three projects subject to QAT oversight. The project below is the only one that is within budget and on schedule as reported to the Quality Assurance Team\***

Project Name	Project Cost (In Millions)	Expenditures to Date	% Complete	Timeline in Months	Project Status
WebLIEN Project	\$ 3.3	\$ 0.1	28.0%	23	<p>The Texas Department of Motor Vehicles (TxDMV) is developing applications in its webDEALER suite of applications that enables liens to be added and removed/released electronically. WebLIEN is an expansion of the current Electronic Lien and Title (ELT) system providing lienholders with an internet enabled application.</p> <p>The current ELT program functionality is provided by a third-party software provider that is costly to maintain. Approximately 50% of independent dealerships provide dealer financing, and do not use the ELT system. To assist the state, WebLIEN will provide an alternative method to record liens by allowing lienholders and dealerships to store and subsequently release their liens electronically without having to submit paper applications. This automation is designed to reduce the volume of manual data entry by county tax assessor-collector's offices.</p> <p>TxDMV began the WebLEIN Project in FY 2018. The initial estimated project cost was \$3.3 million. The initial planned project start and finish dates were September 1, 2017, and August 31, 2019, respectively. The project is successful in terms of budget and schedule.</p>

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\*Note: These figures reflect all project costs (Capital and Informational) and timelines from self-reported monitoring reports that are sent to the Quality Assurance Team (QAT) for review. QAT includes representatives from the Comptroller of Public Accounts, Department of Information Resources, Legislative Budget Board and the State Auditor's Office (Advisory Only).