



Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

Response to Request for Information Interim Charge 1

Prepared for the
House Committee on Transportation

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Interim Charge 1

Monitor the agencies and programs under the Committee's jurisdiction and oversee the implementation of relevant legislation passed by the 86th Legislature. Conduct active oversight of all associated rulemaking and other governmental actions taken to ensure intended legislative outcome of all legislation.

Summary

The regular session of the 86th Texas Legislature passed almost 40 bills directly impacting the Texas Department of Motor Vehicles. The department's sunset bill was one of them. In accordance with Transportation Code 1001.025, the board of the department made recommendations to the legislature on statutory changes to improve the operations of the department. Three bills passed that enacted some of those changes while one bill was vetoed. The remaining bills that became law affected the department's programs for dealer licensing, oversize and overweight vehicle permitting, and vehicle titles, registrations, and license plates. Bills also passed that impacted the Motor Vehicle Crime Prevention Authority (formerly known as the Automobile Burglary and Theft Prevention Authority). The implementation status of the enacted bills that were voted out by the House Committee on Transportation are summarized below.

Legislation Affecting the Department

Sunset

The TxDMV Sunset bill (**SB 604** by Buckingham) continues the department until 2031. Major elements in the bill include:

- Requiring a system to act on complaints and notify the parties to the complaint of its status.
- Ending representative and salvage vehicle agent licensing and salvage vehicle dealer license endorsements.
- Allowing the department to set salvage vehicle dealer license terms and issue cease-and-desist orders for non-licensed salvage vehicle dealing.
- Allowing the ordering of consumer refunds for violations by dealers and household goods carriers.
- Giving the department sole authority to determine access to its automated registration and titling system and requiring training about the system and identifying fraud.
- Requiring all counties to allow use of the automated titling system (webDEALER)
- Changing the name of the Automobile Burglary and Theft Prevention Authority to the Motor Vehicle Crime Prevention Authority and allowing it to fund efforts to stop motor vehicle fraud.
- Requiring independent motor vehicle dealers, if licensed less than 10 years, to take license training.
- Making information from an investigation of a licensee confidential if disclosure jeopardizes the investigation. This item was a TxDMV Board recommendation to the Legislature.

The above items have been fully implemented or soon will be after some final rule adoptions and manual updates.

There are some elements of the bill where implementation is in process. The bill requires digital license plates to be available for certain vehicles. Rules for digital plates have been adopted, and proposals are being evaluated from vendors to supply the plates. Programming department computer systems has begun and the entire program is on track to be ready ahead of the required implementation date for vendors to participate by December 31 of this year. Lastly, the bill requires a study by the department, the Department of Transportation, the Department of Public Safety, the Commission on Environmental Quality, and the Public Utility Commission on the impact of alternatively fueled vehicles on the state and alternatives for assessing fees on such vehicles. The first drafts of the

report on the study are complete with final editing and approval as the next steps. The report is on schedule to meet the December 1 statutory due date.

TxDMV Board Recommendations

HB 2620 by Martinez of Weslaco enacted several TxDMV Board recommendations to improve the department's authority and services relating to oversize and overweight vehicles. The bill includes: standards for escort vehicles and flaggers used with oversize/overweight vehicles, the ability to deny a permit if the motor carrier is out-of-service per the Federal Motor Carrier Safety Administration (or similar state rating), requiring shippers provide a certificate of weight if the person transporting the shipment requests one, and requiring the person transporting the shipment to provide the department with a certificate of weight prior to issuance of a permit if the combined weight of the vehicle and load exceeds 200,000 pounds. After some final rule adoptions and software changes, this bill will be fully implemented.

HB 3842 by King of Zavala contains the TxDMV Board recommendation to repeal a provision related to consignment sales by dealers that conflicted with other laws about dealers selling from a single licensed location. The bill also passed with the provisions from SB 1193 relating to issuing titles to vehicle buyers when a dealer goes out of business. This bill has been fully implemented.

HB 2835 by Canales creates an affirmative defense for having an expired vehicle registration if the person's tax assessor-collector's office is closed for a protracted period (such as for a natural disaster). This bill did not require any implementation steps by the department.

Other Legislation

HB 61 by White addressed lighting requirements for escort flag vehicles. Updates to department rules will be adopted soon.

HB 1262 by Bell of Kaufman allows trailers weighing up to 7,500 pounds to register for up to five years at a time. Several hundred customers are already using this new option.

HB 1548 by Springer defines "off-highway vehicles" and requires license plates on them and golf carts when used on roads as allowed by law. The plates are available to customers and more than 5100 have been purchased.

HB 1631 by Stickland ended registration blocks for red-light camera violations. A minor wording update to department rules will be made but all substantive parts of the bill were implemented in June 2019.

HB 1755 by Thompson of Brazoria defines "assembled vehicle" and allows those vehicles to be titled and registered. Almost 100 such vehicles have already received titles.

HB 2310 by Vo requires coordinating with the Federal Emergency Management Agency (FEMA) to update title records of vehicles receiving a FEMA payout. The department has identified several options to address this situation and is actively working with FEMA and the Texas Department of Emergency Management on the most efficient way to obtain the identification information for vehicles receiving a payout.

HB 3068 by Kuempel allows older-style license plates to be used on classic motor vehicles and travel trailers, custom vehicles, street rods, and certain exhibition vehicles. This bill is fully implemented.

HB 3163 by Springer requires a document explaining privileged parking be provided to customers receiving disabled license plates or parking placards. The department created the document and has distributed more than 620,000 of them to county tax offices.

HB 3760 by Guillen allows governmental agencies disposing of their surplus vehicles to issue temporary tags to the buyers. Rules will be adopted in October.

Specialty License Plates

All the military-related specialty license plates created by the 86th Legislature are available to eligible customers as is the Purple Heart license plate for law enforcement. Of the license plates requiring a deposit before being created, the “Register to Vote” and “F-35 Fighter Jet” license plates are available.