

# Board Meeting Agenda Book

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Texas Department *of* Motor Vehicles

HELPING TEXANS GO. HELPING TEXAS GROW.

**Legislative & Public Affairs Committee**

**2:00 p.m.**

**Wednesday, October 3, 2018**

**AGENDA**  
**LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE MEETING**  
**BOARD OF THE TEXAS DEPARTMENT OF MOTOR VEHICLES**  
**4000 JACKSON AVE., BUILDING 1, LONE STAR ROOM**  
**AUSTIN, TEXAS 78731**  
**WEDNESDAY, OCTOBER 3, 2018**  
**2:00 P.M.**

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. The Committee reserves the right to discuss any items in executive 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 information-gathering and discussion. However, Board members who are not Committee members will not vote on any Committee agenda items, nor will any Board action be taken.

- 1. Roll Call and Establishment of Quorum**
- 2. Comments and Announcements from Committee Chair, Committee Members, and Executive Director**

**PAGE      BRIEFINGS AND ACTION ITEMS**

***Consideration and Possible Recommendations for Action to the Full Board and Briefings:***

- 3**      3.    [Request Board Approval of Recommended Legislation to the 86th Legislature Pursuant to Transportation Code, §1001.025](#) - Caroline Love
- 4**      4.    [Agency Process for the Legislative Session, including continuing Sunset Legislation Process](#) - Caroline Love (BRIEFING ONLY)
- 11**     5.    [Implementation of Sunset Advisory Commission's Recommendations](#) - Whitney Brewster (BRIEFING ONLY)
- 17**     6.    [Request Board Approval of Policy, TxDMV Guidance on Enforcement Case Prioritization and Complaint Resolution, to Implement Sunset Advisory Commission's Recommendations 3.4. and 3.5](#) - Corrie Thompson

**EXECUTIVE SESSION**

- 7. 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 551.089** - Security devices or security audits:
  - the deployment, or specific occasions for implementation, of security personnel or devices; or
  - a security audit.

#### **8. Action Items from Executive Session**

#### **9. Public Comment**

#### **10. 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.

Agenda items may be presented by the named presenters or other TxDMV staff.

Pursuant to Sections 30.06 and 30.07, Penal Code (trespass by license holder with a concealed or openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun or a handgun that is carried openly.

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 Carrie Fortner by telephone at (512) 465-3044.

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

CERTIFYING OFFICIAL: Sarah Swanson, Associate General Counsel, (512) 465-5665.

DATE: October 3, 2018

Action Requested: APPROVAL

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**To:** Legislative & Public Affairs Committee  
Texas Department of Motor Vehicles (TxDMV) Board  
**From:** Caroline Love, Government & Strategic Communications Division Director  
**Agenda Item:** 3  
**Subject:** Recommended Legislation to the 86<sup>th</sup> Legislature

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#### **RECOMMENDATION**

Staff recommends the Board adopt the proposed legislative agenda as developed by Texas Department of Motor Vehicles (TxDMV) staff with stakeholder input and involvement. A summary of the proposed agenda will be presented for the Board's consideration.

#### **PURPOSE AND EXECUTIVE SUMMARY**

The TxDMV Board is charged with considering opportunities for improvements to operations with recommended changes to statute to the Texas Legislature under Texas Transportation Code, Section 1001.025. Throughout 2018 TxDMV's Government and Strategic Communications Division worked with staff to identify areas of statute for such recommendations, and further evaluated those recommendations with stakeholders to develop the attached agenda for the Board's further consideration.

The areas for consideration include efforts to provide for efficiencies and address issues identified when dealing with natural disasters, as well as several concepts approved by the TxDMV Board in previous sessions which did not become law.

#### **FINANCIAL IMPACT**

None, any impact would be dependent upon actions taken by the Legislature.

#### **BACKGROUND AND DISCUSSION**

Upon approval, the items contained in the proposed agenda will be reviewed for individual bill drafting and staff will discuss the concepts further with members of the legislature for potential filing. The Government and Strategic Communications Division will be providing regular updates throughout the session on the status of the approved agenda items.

DATE: October 3, 2018

Action Requested: BRIEFING

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**To:** Legislative & Public Affairs Committee  
Texas Department of Motor Vehicles (TxDMV) Board  
**From:** Caroline Love, Government & Strategic Communications Division Director  
**Agenda Item:** 4  
**Subject:** Agency Process for Legislative Session, including continuing Sunset Legislation Process

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**PURPOSE AND EXECUTIVE SUMMARY**

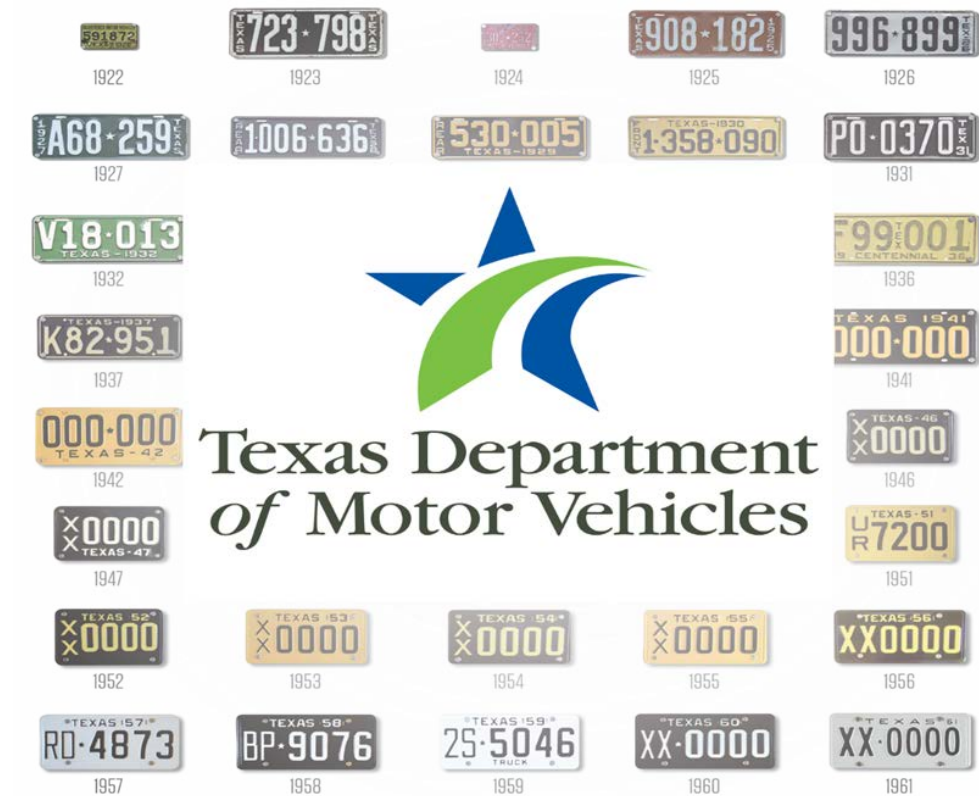
This briefing will cover the key dates for the 86<sup>th</sup> Legislative Session, as well as the responsibilities of the Government & Strategic Communications Division as it relates to the department's review and analysis of legislation, coordination of the department in legislative hearings and meetings, and providing updates to department leadership and the TxDMV Board. The briefing will also cover what to expect from the Legislature's consideration of the TxDMV continuing legislation as it relates to the Sunset process.

**FINANCIAL IMPACT**

None.

**BACKGROUND AND DISCUSSION**

The Government & Strategic Communications Division will be providing regular updates throughout the session on the status of legislation impacting the department.



## Texas Department of Motor Vehicles Legislative and Public Affairs Committee Update

# TxDMV Board 86<sup>th</sup> Legislative Agenda – Item 3



- The Texas Department of Motor Vehicles (TxDMV) Board is charged with considering opportunities to improve the operations of the department and recommending statutory changes to the Texas Legislature under Texas Transportation Code, Section 1001.025.
- Earlier this year TxDMV's Government and Strategic Communications Division worked with all the department's divisions and offices to identify statutory changes the board could recommend.
- Several department stakeholders received a copy of the draft recommended changes and provided feedback, including the Tax Assessor-Collector Association, Texas Trucking Association, Texas Recreational Vehicle Association, Texas Towing & Storage Association, Alliance of Auto Manufacturers, Texas Independent Auto Dealers Association, Texas Automobile Dealers Association, Insurance Auto Auctions, United States Automobile Association, Texas Southwestern Cattle Raisers Association, Copart, Texas Food and Fuels Association, Texas Farm Bureau, Texas Oil & Gas Association, State Farm, Property Casualty Insurers Association of America, and the National Association of Mutual Insurance Companies.
- Recommendations were presented to the Legislative & Public Affairs Committee October 3, 2018
- TxDMV Board to consider adoption of recommended changes October 4, 2018

# TxDMV Board 86<sup>th</sup> Legislative Agenda – Item 3



- The draft recommended changes include the following:
  - **Enhanced responsiveness to natural disasters**
    - Allowing residents from a declared disaster area 30 days after registration expiration to renew during a disaster without being subject to a ticket/citation
    - Insurance company requirements related to ownership of vehicles determined salvage or non-repairable when a claim has been paid associated with a declared natural disaster
    - Creating a definition of what constitutes a “flood vehicle” in statute and how such vehicles will be titled
  - **Creating efficiencies in processes**
    - Deposit Auto Burglary and Theft Prevention Authority (ABTPA) appropriations to the TxDMV Fund to provide for consistent method of finance for department functions and operations
    - Repealing the statutory requirement to issue oversize/overweight permits by phone
    - Exempting materials from investigations from Public Information Act requirements until the conclusion of the investigation
    - Repealing a requirement that the department create an inventory form for salvage dealers
    - Restructuring the current title dispute process to provide for more consistent use of the process statewide
    - Allow the department to require escort flaggers if needed for as part of issuing an oversize/overweight permit



# TxDMV Board 86<sup>th</sup> Legislative Agenda – Item 3



- The draft recommended changes include the following (continued):
  - **Previous TxDMV Board recommendations**
    - Allowing for administrative sanctions for loading a vehicle in excess of size (and not just weight)
    - Allowing for the denial of an oversize/overweight permit if the applicant has been placed “out-of-service” by the Federal Motor Carrier Safety Administration or the Texas Department of Public Safety
    - For any newly created oversize/overweight permit, add a general provision that TxDMV retain 10% of the permit fee to cover administrative costs
    - Require the person/entity listed on the oversize/overweight permit be the person/entity moving the load
    - If a shipper does not provide a certificate of weight when requested to by a carrier, provide for an administrative penalty
  - **General Clarification**
    - Clarifying motor vehicle dealers can only sell vehicles from their licensed location
    - Clarifying the Comptroller distributes oversize/overweight permit revenues to the county

# 86<sup>th</sup> Legislative Session Process – Item 4



- Agency Process for the Legislative Session
  - **Key Dates for the 86<sup>th</sup> Legislative Session include:**
    - November 12, 2018: Bill Filing Starts
    - January 8, 2019: First Day of Session
    - March 8, 2019: Last Day to File Legislation
    - May 27, 2019: Sine Die
  - **The Government and Strategic Communications Division (GSC) will:**
    - Identify and follow all legislation filed potentially impacting department operations or processes
      - Meet weekly with the TxDMV Executive Team and department subject matter experts to discuss legislation filed of interest and potential impacts to the department
      - Develop legislative analyses of legislation and work with legislative offices as needed to provide information
      - Develop fiscal impact statements in conjunction with the Finance & Administrative Services and impacted divisions
      - Provide status reports to the Executive Team and TxDMV Board regarding legislation identified with a potential impact
    - Coordinate the department's participation in legislative hearings and meetings
    - Monitor all substantive hearings and floor activities
    - Provide reports to the Executive Team and TxDMV Board on important hearings and floor activities



# Questions

DATE: October 4, 2018

Action Requested: BRIEFING

**To:** Texas Department of Motor Vehicles (TxDMV) Board  
**From:** Whitney Brewster, Executive Director  
**Agenda Item:** 5  
**Subject:** Implementation of Sunset Advisory Commission's Recommendations

### **RECOMMENDATION**

No action requested – briefing only.

### **PURPOSE AND EXECUTIVE SUMMARY**

The purpose of this agenda item is to provide a status update on implementation of recommendations adopted by the Sunset Advisory Commission as published in the Sunset Advisory Commission Staff Report with Commission Decisions.

### **BACKGROUND AND DISCUSSION**

Several recommendations adopted by the Sunset Advisory Commission are management actions, which are effective immediately upon adoption. Other recommendations are statutory changes that will be part of TxDMV's Sunset Bill, which will be filed in January 2019. This briefing provides an overview of the status of the Sunset Advisory Commission's recommendations.

Three recommendations have been fully implemented:

- 3.8 (regarding publishing penalty matrices)
- 4.5 (regarding criminal history checks for motor vehicle license renewals)
- 4.7 (regarding unnecessary application requirements for salvage licenses)

Sixteen recommendations are in progress:

- 1.3 (regarding rules and policies for standards of conduct and handling of contested cases coming before the board)
- 1.4 (regarding board training)
- 1.7 (regarding advisory committees)
- 2.2 (regarding rules and procedures for TxDMV's red flag process and reporting of suspected fraud, waste, or abuse by county tax assessor-collectors)
- 2.3 (regarding fraud training)
- 2.4 (regarding implementation of a proactive, risk-based approach to monitoring fraud)
- 2.5 (regarding audits or reviews of entities providing registration and title services)
- 3.4 (regarding complaint resolution timeframes)
- 3.5 (regarding criteria for prioritizing investigations and inspections)
- 3.6 (regarding enforcement data tracking)
- 3.7 (regarding key performance indicators and annual enforcement reports)
- 3.9 (regarding publication of enforcement histories of regulated businesses)
- 5.3 (regarding complaints)
- 5.4 (regarding IT infrastructure)
- 5.5 (regarding customer service functions)
- New recommendation regarding completion date of House Bill 1959 (85R) Study

Completed or  
No Action Necessary

In Progress

Not Started

## Texas Department of Motor Vehicles Sunset Decision Tracking Document

### ISSUE 1 – *The Department's Industry-Oriented Board and Its Processes Create Risk for the State.*

Recommendation	Due Date	Owner
<b>Recommendation 1.1</b> , Adopted as Modified — Replace the original staff recommendation with the following. Direct the Sunset Commission to request that the Legislature examine all state boards, including the Texas Department of Motor Vehicles board, for any legislation needed to mitigate the potential liability of boards controlled by active market participants. ( <b>Management action – nonstatutory</b> )	No TxDMV Action necessary	N/A
<b>Recommendation 1.2</b> , Not Adopted — Require the governor to designate a public member as the presiding officer of the department's board.	No TxDMV Action necessary	N/A
<b>Recommendation 1.3</b> , Adopted — Require the board to adopt rules and policies to establish clear standards for conduct and handling of contested cases coming before the board for final decisions.	Statutory Change; No date specified in report	Office of General Counsel
<b>Recommendation 1.4</b> , Adopted as Modified — Update and modify the standard Sunset across-the-board requirement related to board member training to include a provision that ensures the training addresses concerns of potentially anticompetitive behavior.	Statutory Change; No date specified in report	Office of General Counsel
<b>Recommendation 1.5</b> , Adopted — Remove the board's exemption from providing balanced representation on its advisory committees.	Statutory Change; March 1, 2020	Office of General Counsel
<b>Recommendation 1.6</b> , Adopted — Apply the Sunset across-the-board requirement related to negotiated rulemaking and dispute resolution.	Statutory Change; No date specified in report	Office of General Counsel
<b>Recommendation 1.7</b> , Adopted — Direct the board to establish advisory committees to provide expertise for rulemaking and other issues and adopt rules regarding standard committee structure and operating criteria. ( <b>Management action – nonstatutory</b> )	September 1, 2019	Office of General Counsel

### ISSUE 2 – *Texas Lacks Basic Safeguards to Identify and Address Vehicle Title Fraud.*

Recommendation	Due Date	Owner
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<p><b>Recommendation 2.1</b>, Adopted — When outsourcing state services to full-service deputies, require counties to follow standard contracting practices.</p>	December 1, 2019	Vehicle Title and Registration Division
<p><b>Recommendation 2.2</b>, Adopted as Modified — Clarify the department's authority to control access to the registration and title system. Also require the department, by March 1, 2020, to work with county tax assessor-collectors to create clear criteria for the department to suspend or deny access to the registration and title system when a county tax assessor-collector suspects abuse, fraud, or waste of the system by an employee or a full-service deputy. <u>The department must adopt rules regarding criteria to suspend access to the registration and title system by March 1, 2020.</u></p> <p>In addition to the statutory recommendation, direct the department, as a <b>management action</b>, to adopt rules to</p> <ul style="list-style-type: none"> <li>• formalize the department's current "red flag" fraud warning system, further developing and implementing a clear and efficient path for county tax assessor-collectors to report suspected fraud, waste, or abuse of the registration and title system by employees, dealers, and full-service deputies; and</li> <li>• provide an option for a county to request action for suspected fraud or abuse, such as immediately suspending access to the registration and title system.</li> </ul>	<p>Statutory Change; March 1, 2020</p> <p>No Date Specified in Report for Management Action</p>	Compliance and Investigations Division
<p><b>Recommendation 2.3</b>, Adopted as Modified — Implement mandatory fraud training for all persons processing state registration or title transactions. Also, as a <b>management action</b>, specify the training will be provided online or in-person as needed, prior to gaining access to the registration and title system.</p>	December 1, 2019	Vehicle Title and Registration Division
<p><b>Recommendation 2.4</b>, Adopted as Modified — Require the department to implement a proactive, risk-based approach to monitoring fraud. In addition to the statutory recommendation, direct the department, <b>as a management action</b>, to share best practice protocols with county tax assessor-collectors to implement such fraud monitoring.</p>	No date specified in report	Compliance and Investigations Division
<p><b>Recommendation 2.5</b>, Adopted as Modified — Authorize the department to audit or perform a compliance review of any entity providing registration and title services, and to access records needed to conduct audits or fraud investigations. This recommendation would also authorize county tax assessor-collectors to audit or perform a compliance review of any entity providing registration and title services in the county, and to access records needed to conduct audits or fraud investigations. The authority of the county tax assessor-collectors to perform audits and compliance reviews does not in any way limit the department's authority to audit or perform a</p>	Statutory Change; No date specified in report	Compliance and Investigations Division

compliance review of any entity providing registration and title services.		
<b>Recommendation 2.6</b> , Adopted — Authorize ABTPA grant recipients to use funds to combat a broader range of motor vehicle crimes, such as title and odometer fraud, beyond just automobile burglary and theft.	Statutory Change; No date specified in report	Automobile Burglary and Theft Prevention Authority
<b>ISSUE 3 – <i>The Department’s Approach to Enforcement Does Not Effectively Address the Biggest Risks to the Public.</i></b>		
<b>Recommendation</b>	<b>Due Date</b>	<b>Owner</b>
<b>Recommendation 3.1</b> , Adopted — Remove statutory exceptions from standard enforcement practices or deceptive advertising violations by motor vehicle dealers.	Statutory Change; No date specified in report	Enforcement Division
<b>Recommendation 3.2</b> , Adopted — As part of the department’s enforcement authority, authorize refunds for consumers for motor vehicle and motor carrier violations.	Statutory Change; No date specified in report	Enforcement Division
<b>Recommendation 3.3</b> , Adopted — Authorize the department to use cease-and-desist authority for unlicensed salvage activity.	Statutory Change; No date specified in report	Enforcement Division
<b>Recommendation 3.4</b> , Adopted — Direct the department to identify and implement methods to reduce its complaint resolution timeframes. ( <b>Management action – nonstatutory</b> )	December 1, 2018	Enforcement Division
<b>Recommendation 3.5</b> , Adopted — Direct the department to develop clear guidance and criteria for prioritizing investigations and inspections. ( <b>Management action – nonstatutory</b> )	March 1, 2019	Enforcement Division
<b>Recommendation 3.6</b> , Adopted — Direct the department to improve enforcement data tracking in its existing systems. ( <b>Management action – nonstatutory</b> )	No date specified in report	Enforcement Division
<b>Recommendation 3.7</b> , Adopted — Direct the department to revise and expand key performance indicators and annual enforcement reports to better assess effectiveness and efficiency and provide more visibility of its enforcement program. ( <b>Management action – nonstatutory</b> )	No date specified in report	Enforcement Division
<b>Recommendation 3.8</b> , Adopted — Direct the department to publish penalty matrices. ( <b>Management action – nonstatutory</b> )	No date specified in report; Fully implemented	Enforcement Division
<b>Recommendation 3.9</b> , Adopted — Direct the department to publish more detailed enforcement histories of regulated motor vehicle and motor carrier businesses. ( <b>Management action – nonstatutory</b> )	No date specified in report	Enforcement Division

ISSUE 4 – <i>Key Elements of the Department’s Licensing Functions Do Not Conform to Common Licensing Standards.</i>		
Recommendations	Due Date	Owner
<b>Recommendation 4.1</b> , Adopted — Eliminate motor vehicle show and exhibition approval requirements.	Statutory Change; No date specified in report	Motor Vehicle Division
<b>Recommendation 4.2</b> , Adopted as Modified — Eliminate the representative and salvage agent licenses, but maintain the lease facilitator license.	Statutory Change; No date specified in report	Motor Vehicle Division
<b>Recommendation 4.3</b> , Adopted — Eliminate separate salvage license endorsements and establish a single, streamlined salvage license.	Statutory Change; No date specified in report	Motor Vehicle Division
<b>Recommendation 4.4</b> , Adopted — Authorize the department to set salvage license terms in rule.	Statutory Change; No date specified in report	Motor Vehicle Division
<b>Recommendation 4.5</b> , Adopted — Direct the department to conduct criminal history checks for all motor vehicle license renewals. (Management action – nonstatutory)	No date specified in report; Fully implemented	Motor Vehicle Division
<b>Recommendation 4.6</b> , Adopted — Direct the department to adopt criminal history evaluation rules and guidelines consistent with Chapter 53, Texas Occupations Code for salvage industry regulation. (Management action – nonstatutory)	No date specified in report	Motor Vehicle Division
<b>Recommendation 4.7</b> , Adopted — Remove unnecessary application requirements for salvage licenses. (Management action – nonstatutory)	No date specified in report; Fully implemented	Motor Vehicle Division
ISSUE 5 – <i>Texas Has a Continuing Need for the Texas Department of Motor Vehicles, but Opportunities Exist to Better Leverage State IT Investments.</i>		
Recommendation	Due Date	Owner
<b>Recommendation 5.1</b> , Adopted — Continue the Texas Department of Motor Vehicles for 12 years.	Statutory Change; No TxDMV Action necessary	N/A
<b>Recommendation 5.2</b> , Adopted — Require the department to ensure webDEALER is available to automobile dealers in all Texas counties by September 1, 2020.	Statutory Change; September 1, 2020	Vehicle Title and Registration Division
<b>Recommendation 5.3</b> , Adopted — Apply the standard across-the-board requirement related to complaints.	Statutory Change; No date specified in report	Office of Innovation and Strategy



<b>Recommendation 5.4, Adopted</b> — Direct the department to develop a comprehensive approach to developing, maintaining, and updating its IT infrastructure. ( <b>Management action – nonstatutory</b> )	No date specified in report	Information Technology Services Division
<b>Recommendation 5.5, Adopted</b> — Direct the department to evaluate and identify further opportunities to consolidate and modernize its customer service functions to improve efficiency and customer experience. ( <b>Management action – nonstatutory</b> )	No date specified in report	Executive Office
<b>Adopted New Recommendations</b>		
Recommendation	Due Date	Owner
<b>Completion Date of House Bill 1959 (85R) Study</b> Direct the department to conduct the existing contracted study to identify and assess alternative technologies for registering commercial vehicles to replace license plates, permits, and other documentation and registration methods currently in use by the state, and evaluate the safety and suitability for identified technologies for use on roadways, as required under House Bill 1959 (85th Legislature, Regular Session) by March 31, 2019 instead of December 1, 2021. Also, direct the department to include an analysis of any statutory impediments to conducting a pilot program as described in H.B. 1959 as part of this study. ( <b>Management action – nonstatutory</b> )	March 31, 2019	Office of Innovation and Strategy
<b>Licensing and Inspection of Salvage Dealers</b> As part of the license application process for a salvage vehicle dealer, direct the department to consider the criminal background of an applicant’s partner, company principal, officer, or general manager as a qualifying factor when determining whether to issue a license. ( <b>Management action – nonstatutory</b> )  Direct the department to establish a risk-based approach to its salvage vehicle dealer inspections. As part of the risk-based inspections, the department should consider factors including inspection history, complaint history, and any other factors determined by department rule. ( <b>Management action – nonstatutory</b> )	No date specified in report	Motor Vehicle Division  Enforcement Division
<b>Audits of Tax Assessor-Collectors</b> Require the department to coordinate with the comptroller of public accounts and authorize the comptroller of public accounts to include, at the comptroller’s discretion and as part of its ongoing audits of state revenue collections by county tax assessor-collector offices, a review of processes relating to a county’s collection and remittance of revenues included in the audit.	No date specified in report	Compliance and Investigations Division

DATE: October 3, 2018

Action Requested: APPROVAL

**To:** Texas Department of Motor Vehicles (TxDMV) Board  
**From:** Corrie Thompson, Director, Enforcement Division  
**Agenda Item:** 6  
**Subject:** Request Board Approval of Policy, TxDMV Guidance on Enforcement Case Prioritization and Complaint Resolution, to Implement Sunset Advisory Commission's Recommendations 3.4 and 3.5.

#### **RECOMMENDATION**

Approval of Policy, TxDMV Guidance on Enforcement Case Prioritization and Complaint Resolution, to implement Sunset Advisory Commission's Recommendations 3.4 and 3.5.

#### **PURPOSE AND EXECUTIVE SUMMARY**

Approval of the policy fulfills requirements set out in Sunset Advisory Commission Recommendations 3.4 and 3.5.

#### **FINANCIAL IMPACT**

There will be no fiscal implications for state or local governments as a result of enforcing or administering the policy. There are no anticipated economic costs for persons required to comply with the policy.

#### **BACKGROUND AND DISCUSSION**

During their review, Sunset made recommendations to help the department reduce its complaint resolution timeframes. As part of that recommendation they are requiring that the board approve new policies to identify and address factors that contribute to long complaint resolution timeframes, including:

- Developing an intake system and to close and refer nonjurisdictional complaints,
- Identify stages where delays occur in order to minimize the potential for bottlenecks,
- Develop priorities based on type of allegation and associated risk balanced with the need to close the oldest outstanding cases, and
- Present long-pending cases to the board for the review

The policy being present does just this, and provides a commitment to the goals identified by Sunset. The policy refers to Standard Operating Procedures the Enforcement Division has created, and those Standard Operating Procedures contain details as to how to accomplish the stated goals.



# TxDMV Guidance on Enforcement Case Prioritization and Complaint Resolution

## Purpose

This policy establishes the priorities of the Enforcement Division in conducting investigation and inspection activities, consistent with the recommendations set forth in the Sunset Advisory Commission's Staff Report for the Texas Department of Motor Vehicles, published for the 86<sup>th</sup> Legislature (2018-2019), Recommendations 3.4 and 3.5.

## Scope

This policy will be used by TxDMV executive management and the management staff of the Enforcement Division when determining the division's allocation of resources, key performance indicators, standard operating procedures, and staff performance goals.

## Policy

### 1.0 General

The purpose of the policy is to develop clear prioritization criteria that will ensure the most efficient allocation of resources toward complaints alleging the most serious risks to the public, balanced with the need to resolve the oldest outstanding cases.

### 2.0 Responsibilities

1. The Enforcement Division will prioritize investigations based on types of allegations and their associated risk to the public. The division shall specify, in its Standard Operating Procedures (SOPs), a process that uses the following criteria to assess a case's priority: the nature of each complaint, the source of the complaint, and the enforcement history of the subject of the investigation. The SOPs, at a minimum, will include the following:
  - a. Higher priority shall be assigned to cases that represent the greatest risk to public safety, followed by cases that allege potential or actual consumer harm.
  - b. Higher priority shall be assigned to cases referred from other public entities, such as law

enforcement, federal or state agencies, or tax authorities.

- c. A history of prior violations by the subject of the investigation shall also be considered when assigning case priority.
2. The Enforcement Division will address the department's need to close its oldest outstanding cases.
  - a. At least twice per year, the division Director or a designee shall present to the Board for review cases pending longer than three years and the reasons that the cases remain pending. The presentation need not address cases undergoing adjudication proceedings (i.e. contested cases).
  - b. The division shall develop SOPs that, at a minimum, will:
    - i. Establish clear timelines and expectations for case resolution.
    - ii. Establish internal performance measures for investigators.
  - c. The SOPs shall also ensure that the department investigates complaints as thoroughly as necessary before closing a case, as quality should not suffer to gain more expedient case resolution.
3. The Enforcement Division shall identify and address factors in the enforcement process that contribute to long complaint resolution timeframes. The division shall develop SOPs that, at a minimum, will:
  - a. Develop a complaint intake system to centrally close and refer nonjurisdictional complaints to the appropriate agencies to allow investigators to more efficiently focus on resolving outstanding jurisdictional complaints.
  - b. Identify stages of the department's investigative process that delay complaint resolution and implement changes to minimize identified bottlenecks.
  - c. The SOPs shall be reviewed periodically, at least once per biennium, to ensure that procedural challenges to complaint resolution times are efficiently addressed.

## Enforcement

Compliance with this policy will be addressed through the Internal Audit division pursuant to their policies and procedures.

## Associated Policies

N/A

## References

Sunset Advisory Commission's Staff Report for the Texas Department of Motor Vehicles, published for the 86<sup>th</sup> Legislature (2018-2019), Recommendations 3.4 and 3.5.

## Version History

Version number	Date of Revision	Changes Made
Version 1.0	October X, 2018	N/A

## Contact Information

Corrie Thompson, Enforcement Division Director  
EMAIL: Corrie.Thompson@TxDMV.gov OFFICE: 512.465.1205

## Approval and Adoption

**Board Policy Documents**

[Governance Process](#) (10/13/11)

[Strategic Planning](#) (10/13/11)

[Board Vision](#) (4/7/16)

[Agency Boundaries](#) (9/13/12)

[KPIs](#) (9/12/14)