

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

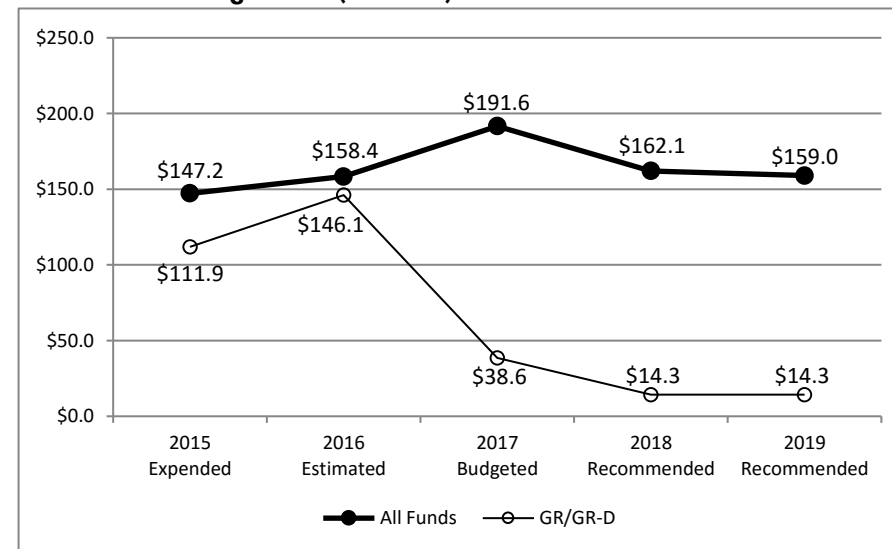
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Whitney Brewster, Executive Director
Thomas Galvan, LBB Analyst

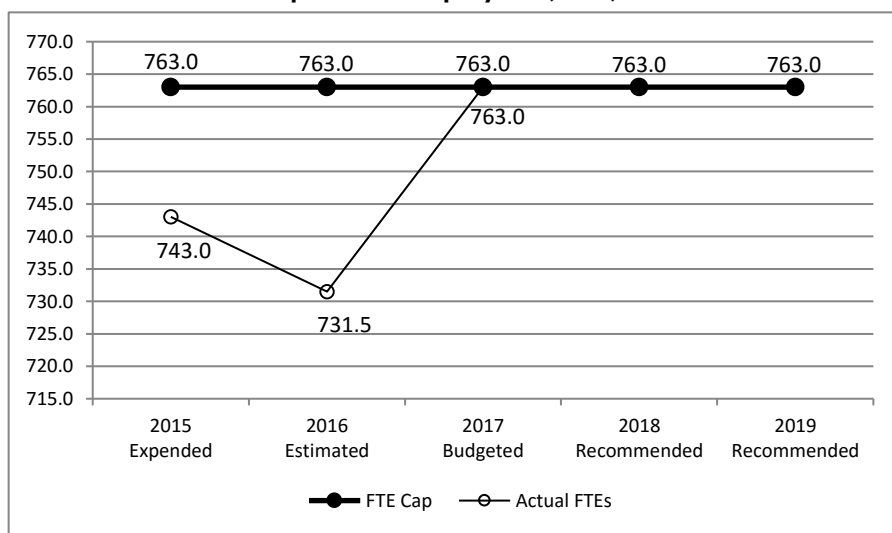
Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$184,693,280	\$28,646,058	(\$156,047,222)	(84.5%)
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$184,693,280</i>	<i>\$28,646,058</i>	<i>(\$156,047,222)</i>	<i>(84.5%)</i>
Federal Funds	\$481,525	\$0	(\$481,525)	(100.0%)
Other	\$164,872,105	\$292,488,743	\$127,616,638	77.4%
All Funds	\$350,046,910	\$321,134,801	(\$28,912,109)	(8.3%)

	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	763.0	763.0	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

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

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):

A)	Net decrease of \$38.1 million for TxDMV Automation System capital information technology projects, including decreases of \$18.1 million in General Revenue and \$25.8 million in State Highway Funds and an increase of \$5.8 million in Texas Department of Motor Vehicles (TxDMV) Funds	(\$18.1)	\$0.0	\$0.0	(\$20.0)	(\$38.1)	A.1.4
B)	Increase of \$23.8 million in TxDMV Funds for centralized processing of online vehicle registration transactions	\$0.0	\$0.0	\$0.0	\$23.8	\$23.8	A.1.1
C)	Decrease of \$1.2 million for Automobile Burglary and Theft Prevention authority grants and administration pursuant to the four percent reduction	(\$1.2)	\$0.0	\$0.0	\$0.0	(\$1.2)	B.2.1
D)	Increase of \$0.8 million in TxDMV Funds for replacement vehicles	\$0.0	\$0.0	\$0.0	\$0.8	\$0.8	A.1.1, B.1.1, C.1.3
E)	Method of financing swap to replace General Revenue with Other Funds from the TxDMV Fund for ongoing operating expenses	(\$119.6)	\$0.0	\$0.0	\$119.6	\$0.0	All Strategies, excluding B.2.1

OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):

F)	Decrease one-time funding for the Application Migration & Server Infrastructure Transformation (AMSIT) capital information technology project	(\$7.4)	\$0.0	\$0.0	\$0.0	(\$7.4)	A.1.4
G)	Decrease of \$0.9 million in General Revenue and \$1.0 million in TxDMV Funds for one-time costs for relocation of regional service center and Austin Bull Creek campus facilities to new leased facilities	(\$0.9)	\$0.0	\$0.0	(\$1.0)	(\$1.8)	A.1.1, C.1.3
H)	Decrease of Federal Funds and General Revenue matching funds due to the completion of the Commercial Vehicle Information Systems and Network project	(\$0.6)	\$0.0	(\$0.5)	\$0.0	(\$1.1)	A.1.3
I)	Net decrease of \$1.0 million for information technology replacements and upgrades support for county tax assessor-collector offices, including a method of financing swap of \$4.5 million in TxDMV Funds to replace General Revenue	(\$5.5)	\$0.0	\$0.0	\$4.5	(\$1.0)	A.1.1
J)	Decrease \$0.3 million in General Revenue and \$0.2 million in TxDMV Funds for one-time funding for the acquisition of new security systems at regional service centers	(\$0.3)	\$0.0	\$0.0	(\$0.2)	(\$0.5)	A.1.1

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

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
K)	Decrease from various operating expenses	(\$2.5)	\$0.0	\$0.0	\$0.0	(\$2.5)	A.1.1, C.1.2
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		(\$156.0)	\$0.0	(\$0.5)	\$127.6	(\$28.9)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$0.0	\$0.0	\$0.0	\$148.8	\$148.8	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$156.0)	\$0.0	(\$0.5)	(\$21.2)	(\$177.7)	As Listed

NOTE: Totals may not sum due to rounding.

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

1. **Method of Finance Swap – Texas Department of Motor Vehicles Fund.** Recommendations include a method of finance swap of Texas Department of Motor Vehicles Funds (Other Funds – TxDMV Fund) for General Revenue for all agency programs except for automobile burglary and theft prevention (see #4 below). The enactment of Senate Bill 1512, Eighty-fourth Legislature, 2015 (SB 1512) establishes the TxDMV Fund and requires revenue from certain fees collected by or on behalf of the agency that were previously deposited to the General Revenue Fund to be deposited to the TxDMV Fund beginning in fiscal year 2017. Pursuant to Rider 6, Contingency for Department of Motor Vehicles Fund, in the agency’s bill pattern in Article VII of the 2016–17 General Appropriations Act, \$130.3 million of the agency’s method of financing for fiscal year 2017 changed from General Revenue to TxDMV Funds to reflect the disposition of fees and revenue affected by SB 1512.

Also in fiscal year 2017 (January 2017), the agency began assessing a vehicle registration processing and handling fee (P&H Fee) of \$4.75 per registration to cover the expenses associated with collecting registration fees by the agency, a county tax assessor-collector, or other authorized deputies or contractors of a county tax assessor-collector. Revenue to be remitted to the state from the P&H fee and deposited to the TxDMV Fund will be net of amounts retained for compensation at the county level pursuant to rules established by the board of the Department of Motor Vehicles. The state will receive \$3.50 for online registration transactions (see #3 below) and \$2.45 for walk-in and mail-in transactions processed at county offices and/or transactions performed by authorized limited and full-service deputies. Included in the amount remitted to the state is a \$0.50 automation fee, which replaced the former \$1.00 automation fee paid at the time of registration and deposited to the TxDMV Fund (see #2 below). The agency estimates the P&H fee will generate revenue to the TxDMV Fund in the amounts of \$44.8 million in fiscal year 2017 and \$140.6 million in the 2018–19 biennium.

Amounts from the P&H fee retained by the counties will replace \$1.90 from the base vehicle registration fee (\$50.75 for passenger vehicles) retained by the counties as compensation for providing registration services. With the implementation of the P&H fee, the amount from the registration fee previously retained by the counties will be remitted to the state for deposit to the State Highway Fund.

2. **TxDMV Automation System.** Recommendations include \$5.8 million from the TxDMV Fund (All Funds decrease of \$38.1 million from the 2016–17 biennium) and capital budget authority in the 2018–19 biennium for continuation of current initiatives under the TxDMV Automation System project, including the Registration and Titling System (RTS) Refactoring project and the eLICENSING system for motor vehicle and salvage vehicle dealers (see Rider Highlights #2 and Items Not Included #4). The recommendations maintain appropriation authority in the 2018–19 biennium for any unexpended balances remaining at the end of the 2016–17 biennium for ongoing project costs. The Transportation Code requires the TxDMV board to adopt a fee of not less than \$0.50 and not more than \$1.00, in addition to other vehicle registration fees, for the purpose of providing for or enhancing the automation of (1) vehicle registration and permitting, (2) vehicle titling services, and (3) licensing and enforcement procedures. A \$0.50 automation fee is included in the \$4.75 P&H fee (see Item #1 above).
3. **Centralized Printing and Mailing of Online Vehicle Registrations.** Recommendations include an increase of \$23.8 million in TxDMV Funds for centralized processing online vehicle registration transactions. Currently, the counties are responsible for printing and mailing registration materials for customers who complete registration transactions online using Texas.gov. Beginning in January 2017, TxDMV assumed responsibility for processing, printing, and mailing vehicle registrations for online customers. The agency will incur a \$2.00 credit card or \$1.00 automated clearing house (ACH) transaction cost and printing and mailing costs (approximately \$0.50 per transaction) for each online renewal. The additional transaction costs will be included in the new P&H fee to cover the agency’s expenses. The 2016–17 base includes an estimated \$7.9 million in fiscal year 2017 for processing online registration transactions. Recommendations provide a total of \$31.7 million for the 2018–19 biennium for processing online transactions in alignment with the agency’s request.
4. **Automobile Burglary and Theft Prevention Authority.** Recommendations provide \$28.6 million in General Revenue for Automobile Burglary and Theft Prevention Authority (ABTPA) grants and administration, which is a decrease of \$1.2 million from 2016–17 funding levels in alignment with the agency’s four percent biennial

baseline reduction. 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 2018–19 biennium includes \$47.6 million in fiscal year 2018 and \$48.5 million in fiscal year 2019 (\$96.1 million for the 2018–19 biennium) in estimated revenue from the ABTPA fee.

5. **Replacement Vehicles.** Recommendations include \$0.8 million in TxDMV Funds and capital budget authority for the replacement of 33 agency vehicles that will exceed 150,000 miles during 2018–19 biennium. The agency currently has 43 fleet vehicles deployed among its 16 regional service centers and headquarters, of which 39 will be 10 years or older by model year during the 2018–19 biennium (see Rider Highlights #2).
6. **Bull Creek Campus Relocation.** Recommendations assume the agency would relocate its personnel and operations at the Austin Bull Creek Campus to a new leased facility in fiscal year 2017. However, the agency has indicated that state-owned space will be made available in TxDOT's Camp Hubbard facilities to accommodate TxDMV's Bull Creek relocation needs. The agency currently anticipates that the Camp Hubbard space would be available for the agency's relocation in fiscal year 2018. Rider 7, Department of Motor Vehicles Bull Creek Campus, in the agency's bill pattern in Article VII of the 2016–17 General Appropriations Act directs the use of \$1.5 million in TxDMV Fund appropriations for the relocation of the Bull Creek Campus in fiscal year 2017 (see Rider Highlights #7). The 2016–17 appropriation includes \$0.9 million for one-time capital budget and relocation costs and \$0.6 million for ongoing rent and utilities costs. Recommendations retain \$1.4 million in TxDMV Funds for rent and utility costs in the 2018–19 biennium.

**Department of Motor Vehicles
Quality Assurance Team Highlights - House**

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

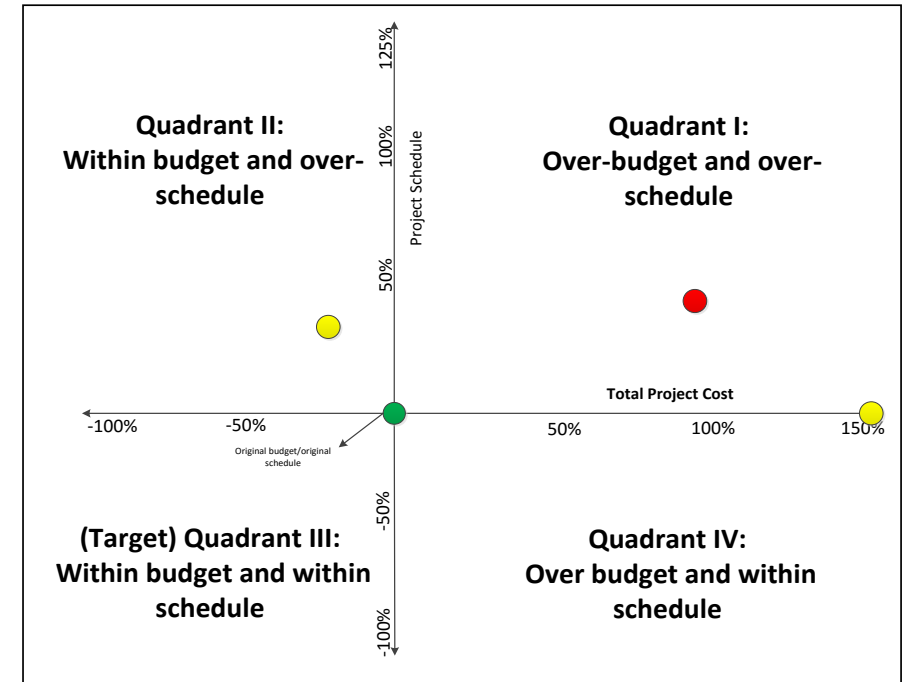
Project Name	Original Projected Costs	Current Projected Costs	Difference in Costs	Expenditures to Date	Original Timeline in Months	Current Timeline in Months	Difference in Time	% Complete	
1 Application Migration and Server Infrastructure Transformation (AMSIT)	\$7.3	\$7.3	\$0.0	\$1.0	19	19	0	52%	●
2 Licensing, Administration, Consumer Affairs and Enforcement (LACE) Replacement	\$6.7	\$13.0	\$6.3	\$5.0	36	49	13	81%	●
3 Registration and Titling System (RTS) Refactoring	\$28.3	\$71.6	\$43.3	\$49.2	79	79	0	84%	●
4 WebDealer-eTitles	\$14.0	\$9.0	-\$5.0	\$5.2	33	53	20	71%	●
Project Totals (4)	\$56.3	\$100.9	\$44.6	\$60.4					

The LACE Replacement project is 95% over-budget and 38% over duration. The cost increased due to services and software licenses being underestimated. The duration increased due to procurement activities being underestimated.

The RTS project is 154% over-budget due to the initial values of signed contracts with vendors being underestimated.

The WebDealer project 100% over duration. The increase was due to two scope changes - 1. The Single Sticker mandate and the Dealership adoption of the program. 2. The addition of a new phase - Fund/Process & Handling fee.

Major Information Resources Projects



Legend

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

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

**Department of Motor Vehicles
Quality Assurance Team Highlights - House**

Significant Project Highlights

1 Application Migration and Server Infrastructure Transformation (AMSIT)

This project was appropriated \$7.4 million (General Revenue) for project development and authorized to begin in FY 2016 for a duration of 19 months.

The Application Migration & Server Infrastructure Transformation Project (AMSIT) separates Department of Motor Vehicles (DMV) applications, servers and network infrastructure from Texas Department of Transportation (TxDOT) and moves these services to DMV. These applications have been placed into logical groups (move groups) and includes more than one hundred applications and servers.

2 Licensing, Administration, Consumer Affairs and Enforcement (LACE) Replacement - eLICENSING

This project was appropriated \$5.6 million (State Highway Fund 6) for project development and authorized to begin in FY 2014 for a duration of 28 months (Capital Budger Rider - Automation System).

The Licensing, Administration, Consumer Relations, and Enforcement system (LACE) is being replaced with a new self-service hub for submitting license applications online. All motor vehicle licensees operating in Texas will be affected. Consumers will be able to submit license and motor vehicle event-related applications at any time using the system's guided, paperless application process that supports faster approvals. Submitted applications will be able to be tracked and printed.

In July 2015, the Quality Assurance Team (QAT) began to see project milestones being missed. The slippage was related to agency prioritization of resources among competing projects, and the procurement process took longer than initially estimated as the project involves multiple contracts. The estimated completion date has been moved from February 2016 to March 2017.

During this same time period, DMV consulted with QAT related to processes with change management and governance. DMV's Executive Director provided a letter of explanation of the changes, a revised Business Case, workbook and an amendment to the Biennial Operating Plan for Legislative Budget Board approval.

QAT Budget Highlights (in millions)

Project Name	2016-17 Base	2018-19 Requested	2018-19 Recommended
1 AMSIT	\$7.4	\$0.0	\$0.0
2 LACE	\$0.0	\$0.8	\$0.8
3 RTS Refactoring	\$16.1	\$5.0	\$5.0
4 WebDealer-eTitles	\$0.0	\$0.0	\$0.0
Total	\$23.5	\$5.8	\$5.8

**Department of Motor Vehicles
Quality Assurance Team Highlights - House**

3 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).

This project will 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. DMV is requesting authorization to spend approximately \$5.0 million from its base budget in the FY 2018-2019 biennium for RTS Refactoring. Additionally, the appropriation will fund 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. DMV provided QAT with a revised business case in 2014 after vendors had been procured, project plans had been developed, and the agency had a better understanding of total project costs.

4 WebDealer-eTitles

This 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. eTitles is the next step towards the electronic storage of all DMV issued titles, though people can still receive a paper title if they choose.

The webDEALER-eTitles project implementation originally had four phases and are still being developed. In July 2016, DMV added a new phase to the project to include Process & Handling (P&H) fees. In June 2016, the DMV Board acted on legislative authority to implement these items by November 1, 2016.

*Note: HB 2202, 83rd Legislature, Regular Session, and SB 1512, 84th Legislature, Regular Session, established the Texas Department of Motor Vehicles Fund (TxDMV Fund 10) and authorized a registration processing and handling fee.

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

Modification of Existing Riders

2. **Capital Budget.** Recommendations amend this rider to remove the agency's discretionary authority to exceed the general limitations on capital budget expenditures and transfers in Article IX of the General Appropriations Act. Recommendations also remove capital budget authority for one-time capital budget expenditures during the 2016–17 biennium and reflect changes to capital budget authority for the following items: (1) provide \$5.8 million in capital budget authority for the TxDMV Automation System project to reflect the recommended funding level for fiscal year 2018; (2) maintain \$1.6 million in capital authority for information technology growth and enhancements and provide \$0.2 million for PC replacement to fund a six year refresh cycle; (3) decrease authority by \$1.0 million for technology replacements and upgrades support for county tax assessor-collector offices; (4) provide \$825,000 in authority for the replacement of 33 agency fleet vehicles; and (5) increase authority for Data Center Consolidation by \$1.4 million to reflect estimated costs to maintain current obligations.
3. **Appropriation of Special License Plate Fees.** Recommendations amend this rider to update the method of financing and specify 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.

Deleted Riders

4. **Unexpended Balance Appropriation: Federal Grants and State Matching Funds.** Recommendations delete this rider because no unexpended balances of federal grant funds and state matching funds appropriations are anticipated to be remaining at the end of the 2016–17 biennium.
6. **Contingency for Texas Department of Motor Vehicles Fund.** Recommendations delete this rider. The Texas Department of Motor Vehicles Fund was established beginning in fiscal year 2017, pursuant to the enactment of Senate Bill 1512, Eighty-fourth Legislature, 2015.
7. **Department of Motor Vehicles Austin Bull Creek Campus.** Recommendations delete this rider. (See Selected Fiscal and Policy Issues #6 and Items Not Included #8).

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

	2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items - In Agency Priority Order

1)	Funding from the TxDMV Fund and 3.0 FTEs to provide facility and maintenance needs for existing office space at the agency's headquarters location.	\$0	\$9,828,000	3.0	No	Yes	\$9,566,500
2)	Funding from the TxDMV Fund and 13.0 FTEs to establish a special investigations Unit (SIU) to identify and investigate fraudulent motor vehicle activities (includes funding for four vehicles, travel, and related expenses).	\$0	\$1,923,131	13.0	Yes	No	\$1,663,120
3)	Federal Funds and state matching funds (\$1,487,500 in Federal Funds; \$262,500 state match from the TxDMV Fund) for a new Federal Motor Carrier Safety Administration - Innovative Technology Deployment grant (formerly Commercial Vehicle Information Systems and Network).	\$0	\$1,750,000	0.0	No	Yes	\$1,750,000
4)	Funding from the TxDMV Fund (Other Funds) and capital budget authority for customer service-related technology initiatives under the TxDMV Automation System project.	\$0	\$2,500,000	0.0	Yes	Yes	\$200,000
5)	Funding for Automobile Burglary and Theft Prevention Authority (ABTPA) grants from amounts identified in the agency's four percent General Revenue baseline reduction.	\$1,193,586	\$1,193,586	0.0	No	Yes	\$1,193,586
6)	Funding from General Revenue for additional ABTPA grants to increase law enforcement coverage and public education efforts.	\$25,311,824	\$25,311,824	0.0	No	Yes	\$25,311,824
7)	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
8)	New rider, Unexpended Balance Authority: Department of Motor Vehicles Austin Bull Creek Campus, to appropriate unexpended balances remaining at the end of fiscal year 2017 from appropriations for relocation of the Bull Creek campus for the same purpose in the 2018-19 biennium.	\$0	\$0	0.0	No	No	\$0

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

	2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
	GR & GR-D	All Funds	FTEs			
TOTAL Items Not Included in Recommendations	\$26,505,410	\$42,506,541	16.0			\$39,685,030

**Department of Motor Vehicles
Appendices - House**

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* Appendix is not included - no significant information to report

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

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
					All Funds recommended for 2018-19 include \$292.5 million in Other Funds from the Texas Department of Motor Vehicles Fund in all strategies except B.2.1, Automobile Theft Prevention, which is funded with General Revenue.
TITLES, REGISTRATIONS, AND PLATES A.1.1	\$156,459,862	\$172,140,733	\$15,680,871	10.0%	Increase of \$15.7 million due to the following: - An increase of \$23.8 million for centralized processing and mailing of online vehicle registration transactions; - An increase of \$0.4 million for 16 replacement vehicles; - A decrease of \$1.5 million for one-time regional service center relocation and security systems acquisition costs in 2016-17; - A decrease of \$1.0 million for information technology replacement and upgrades support for county tax assessor-collector offices; - A decrease of \$0.9 million for license plate production costs; - A decrease of \$5.2 million for decreases in other operating expenses, including funds reallocated among other strategies.
VEHICLE DEALER LICENSING A.1.2	\$8,035,192	\$8,294,710	\$259,518	3.2%	Increase includes \$0.2 million in operating expenses related to the implementation of eLICENSING in the 2018-19 biennium.

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

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
MOTOR CARRIER PERMITS & CREDENTIALS A.1.3	\$17,128,550	\$16,976,290	(\$152,260)	(0.9%)	Decrease of \$0.2 million due to the following: - A decrease of \$1.1 million (\$0.5 million in Federal Funds; \$0.6 million in General Revenue match) due to completion of the Commercial Vehicle Information Systems and Network (CVISN) project; - An increase of \$0.3 million for database maintenance costs associated with the implementation of CVISN in fiscal year 2017; - An increase of \$0.5 million for anticipated credit card fees and system maintenance costs for the implementation of online payment by credit card for International Registration Plan (IRP) registrations during the 2016-17 biennium; and - An increase of \$0.2 million to biennialize staffing and other operating expenses at the fiscal year 2017 level.
TECHNOLOGY ENHANCEMENT & AUTOMATION A.1.4	\$56,091,200	\$11,204,836	(\$44,886,364)	(80.0%)	Decrease of \$44.9 million due to the following: - A net decrease of \$38.1 million for TxDMV Automation System projects; - A decrease of \$7.4 million in one-time costs for the AMSIT information technology capital project; and - An increase of \$0.6 million, including \$0.3 million to biennialize salaries and wages at the 2017 full staffing level and \$0.3 million for other information technology project management and support costs.
CUSTOMER CONTACT CENTER A.1.5	\$4,317,725	\$4,422,468	\$104,743	2.4%	Increase to biennialize salaries and wages at the fiscal year 2017 full staffing level.
Total, Goal A, OPTIMIZE SERVICES AND SYSTEMS	\$242,032,529	\$213,039,037	(\$28,993,492)	(12.0%)	
ENFORCEMENT B.1.1	\$10,900,302	\$11,286,516	\$386,214	3.5%	Increase includes \$0.3 million for 13 replacement vehicles.

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

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
AUTOMOBILE THEFT PREVENTION B.2.1	\$29,839,644	\$28,646,058	(\$1,193,586)	(4.0%)	Decrease of \$1.2 million in General Revenue for Automobile Burglary and Theft Prevention Authority grants and administration pursuant to the four percent biennial base reduction.
Total, Goal B, PROTECT THE PUBLIC	\$40,739,946	\$39,932,574	(\$807,372)	(2.0%)	
CENTRAL ADMINISTRATION C.1.1	\$15,242,290	\$15,804,746	\$562,456	3.7%	Increase to biennialize salaries and wages and other operating costs at fiscal year 2017 levels.
INFORMATION RESOURCES C.1.2	\$46,009,067	\$45,928,538	(\$80,529)	(0.2%)	
OTHER SUPPORT SERVICES C.1.3	\$6,023,078	\$6,429,906	\$406,828	6.8%	Increase of \$0.4 million includes the following: - A decrease of \$0.9 million in one-time costs for relocation of the Austin Bull Creek campus facilities; - An increase of \$0.8 million for rent and utilities related to relocation of Bull Creek facilities to new leased facilities; - A reallocation of \$0.4 million for headquarters utility costs previously allocated to A.1.1; and - An increase of \$0.1 million for four replacement vehicles.
Total, Goal C, INDIRECT ADMINISTRATION	\$67,274,435	\$68,163,190	\$888,755	1.3%	
Grand Total, All Strategies	\$350,046,910	\$321,134,801	(\$28,912,109)	(8.3%)	

**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	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs			
1)	ABTPA Grant Reduction	Reduce Automobile Burglary and Theft Prevention Authority (ABTPA) grants by five percent.	\$1,432,304	\$1,432,304	0.0	\$0	5%	No
2)	ABTPA Grant Reduction	Reduce ABTPA grants by an additional five percent.	\$1,432,302	\$1,432,302	0.0	\$0	5%	No
TOTAL, 10% Reduction Options			\$2,864,606	\$2,864,606	0.0	\$0		