

TRANSPORTATION CODE
TITLE 7. VEHICLES AND TRAFFIC
SUBTITLE M. DEPARTMENT OF MOTOR VEHICLES
CHAPTER 1001. ORGANIZATION OF DEPARTMENT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1001.001. DEFINITIONS. In this subtitle:

- (1) "Board" means the board of the department.
- (2) "Department" means the Texas Department of Motor Vehicles.
- (3) "Executive director" means the executive director of the department.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 33, eff. September 1, 2011.

Sec. 1001.002. CREATION OF DEPARTMENT; DUTIES. (a) The department is created as an agency of this state.

(b) In addition to the other duties required of the Texas Department of Motor Vehicles, the department shall administer and enforce:

- (1) Subtitle A;
- (2) Chapters [621](#), [622](#), [623](#), [642](#), [643](#), [645](#), [646](#), and [648](#); and
- (3) Chapters [2301](#) and [2302](#), Occupations Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1345 (S.B. [1420](#)), Sec. 97, eff. September 1, 2011.

Sec. 1001.003. COMPOSITION OF DEPARTMENT. The department is composed of an executive director appointed by the board and other employees required to efficiently implement:

(1) this subtitle;

(2) other applicable vehicle laws of this state; and

(3) other laws that grant jurisdiction to or are applicable to the department.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.004. DIVISIONS. The executive director shall organize the department into divisions to accomplish the department's functions and the duties assigned to the department.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 34, eff. September 1, 2011.

Sec. 1001.005. SUNSET PROVISION. The department is subject to Chapter [325](#), Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished September 1, 2031.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1232 (S.B. [652](#)), Sec. 4.10, eff. June 17, 2011.

Acts 2019, 86th Leg., R.S., Ch. 594 (S.B. [604](#)), Sec. 1.01, eff. September 1, 2019.

Sec. 1001.006. DEFENSE BY ATTORNEY GENERAL. The attorney general shall defend an action brought against the board or the department or an action brought against an employee of the department as a result of the employee's official act or omission, regardless of whether at the time of the institution of the action that person has terminated service with the department.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.007. PROTECTION AND USE OF INTELLECTUAL PROPERTY AND PUBLICATIONS. (a) The department may:

(1) apply for, register, secure, hold, and protect under the laws of the United States, any state, or any nation a patent, copyright, mark, or other evidence of protection or exclusivity issued in or for an idea, publication, or other original innovation fixed in a tangible medium, including:

- (A) a literary work;
- (B) a logo;
- (C) a service mark;
- (D) a study;
- (E) a map or planning document;
- (F) a graphic design;
- (G) a manual;
- (H) automated systems software;
- (I) an audiovisual work; or
- (J) a sound recording;

(2) enter into an exclusive or nonexclusive license agreement with a third party for the receipt of a fee, royalty, or other thing of monetary or nonmonetary value for the benefit of the department;

(3) waive or reduce the amount of a fee, royalty, or other thing of monetary or nonmonetary value to be assessed if the department determines that the waiver will:

(A) further the goals and missions of the department; and

(B) result in a net benefit to the state; and

(4) adopt and enforce rules necessary to implement this section.

(b) Money collected by the department under this section shall be deposited to the credit of the Texas Department of Motor Vehicles fund for use by the department in supporting the department's operations and the administration of the department's functions.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 35, eff. September 1, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1287 (H.B. [2202](#)), Sec. 68, eff. September 1, 2013.

Sec. 1001.008. DONATIONS AND CONTRIBUTIONS. (a) Except as provided by Subsection (b), for the purpose of carrying out its functions and duties, the board may accept a donation or contribution in any form, including real or personal property, money, materials, or services.

(b) The board may not accept a donation or contribution from an entity or association of entities that it regulates.

(c) The board by rule may delegate acceptance of donations or contributions under \$500, or not otherwise required to be acknowledged in an open meeting, to the executive director.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 35, eff. September 1, 2011.

Sec. 1001.009. COLLECTION OF FEES FOR DEPARTMENT GOODS AND SERVICES. (a) The board may adopt rules regarding the method of collection of a fee for any goods sold or services provided by the department or for the administration of any department program.

(b) Goods sold and services provided under Subsection (a) include department publications and the issuance of licenses, permits, and registrations.

(c) The rules adopted under Subsection (a) may:

(1) authorize the use of electronic funds transfer or a valid debit or credit card issued by a financial institution chartered by a state, the United States, or a nationally recognized credit organization approved by the department;

(2) require the payment of a discount or service charge for a credit card payment in addition to the fee; and

(3) require an overpayment of a motor vehicle or salvage dealer license fee of:

(A) less than \$10 to be credited toward a future fee requirement; and

(B) more than \$10 to be refunded.

(d) Revenue generated from the collection of discount or service charges under Subsection (c) shall be deposited to the

credit of the Texas Department of Motor Vehicles fund for use by the department in supporting the department's operations and the administration of the department's functions.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 35, eff. September 1, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 134, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1287 (H.B. [2202](#)), Sec. 69, eff. September 1, 2013.

Sec. 1001.010. AUTHORITY TO CONTRACT. (a) The department may enter into an interlocal contract with one or more local governments in accordance with Chapter [791](#), Government Code.

(b) The board by rule shall adopt policies and procedures consistent with applicable state procurement practices for soliciting and awarding a contract under this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 35, eff. September 1, 2011.

Sec. 1001.011. EDUCATIONAL CAMPAIGNS AND TRAINING. The department may conduct public service educational campaigns related to its functions.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 35, eff. September 1, 2011.

Sec. 1001.012. IMMUNITY FROM LIABILITY.

(a) Notwithstanding any other law, the executive director, a board member, or an employee is not personally liable for damages resulting from an official act or omission unless the act or omission constitutes intentional or malicious malfeasance.

(b) To the extent a person described by Subsection (a) is personally liable for damages for which the state provides indemnity under Chapter [104](#), Civil Practice and Remedies Code, this section does not affect the state's liability for the indemnity.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 135, eff. September 1, 2013.

Sec. 1001.013. PERFORMANCE OF CERTAIN DEPARTMENT FUNCTIONS BY AUTHORIZED BUSINESS. (a) The executive director of the department may authorize a business entity to perform a department function in accordance with rules adopted under Subsection (b).

(b) The board by rule shall prescribe:

(1) the classification types of businesses that are authorized to perform certain department functions;

(2) the duties and obligations of an authorized business;

(3) the type and amount of any bonds that may be required for a business to perform certain functions; and

(4) the fees that may be charged or retained by a business authorized under this section.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 136, eff. September 1, 2013.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1287 (H.B. [2202](#)), Sec. 70, eff. September 1, 2013.

Sec. 1001.014. ADVERTISING INSIDE CERTAIN DEPARTMENT FACILITIES. The department may enter into an agreement with a public or private entity for a digital message display system to promote department information or news items of general interest in a publicly accessible area of a facility operated by the department. For the purpose of funding the system, a portion of the information displayed on the system may consist of digital advertisements. The department may review and has the right to reject any proposed advertising to be displayed on a system.

Added by Acts 2015, 84th Leg., R.S., Ch. 485 (H.B. [1542](#)), Sec. 2, eff. June 16, 2015.

SUBCHAPTER B. BOARD OF DEPARTMENT OF MOTOR VEHICLES

Sec. 1001.021. BOARD. (a) The board consists of nine members appointed by the governor with the advice and consent of the senate.

(b) Three members must be persons who hold a dealer's

license issued under Chapter 2301, Occupations Code, of whom two must be franchised dealers of different classes and one must be an independent dealer; one member must be a representative of a manufacturer or distributor that holds a license issued under Chapter 2301, Occupations Code; one member must be a tax assessor-collector; one member must be a representative of a law enforcement agency of a county or municipality; and one member must be a representative of the motor carrier industry. The remaining members must be public members.

(c) Except as necessary to comply with Subsection (b), a person is not eligible for appointment as a member of the board if the person or the person's spouse:

(1) is employed by or participates in the management of a business entity or other organization that is regulated by or receives funds from the department;

(2) directly or indirectly owns or controls more than 10 percent interest in a business entity or other organization that is regulated by or receives funds from the department;

(3) uses or receives a substantial amount of tangible goods, services, or funds from the department, other than compensation or reimbursement authorized by law for board membership, attendance, or expenses; or

(4) is registered, certified, or licensed by the department.

(d) A person required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the department may not serve as a member of the board.

(e) Appointments to the board shall be made without regard to race, color, disability, sex, religion, age, or national origin of the appointees and shall reflect the diversity of the population of the state as a whole.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.022. TERMS. Members of the board serve staggered six-year terms, with the terms of either one or two members expiring

February 1 of each odd-numbered year.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.0221. BOARD; DUTIES. (a) The board shall oversee and coordinate the development of the department and shall ensure that all components of the motor vehicle industry function as a system.

(b) The board shall carry out its policy-making functions in a manner that protects the interests of the public and industry, maintains a safe and sound motor vehicle industry, and increases the economic prosperity of the state.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 36, eff. September 1, 2011.

The following section was amended by the 87th Legislature. Pending publication of the current statutes, see S.B. [800](#), 87th Legislature, Regular Session, for amendments affecting the following section.

Sec. 1001.023. CHAIR AND VICE CHAIR; DUTIES. (a) The governor shall appoint one of the board's members chair of the board. The chair serves at the pleasure of the governor. The board shall elect one of its members vice chair of the board. The vice chair serves at the pleasure of the board.

(b) The chair shall:

(1) preside over board meetings, make rulings on motions and points of order, and determine the order of business;

(2) represent the department in dealing with the governor;

(3) report to the governor on the state of affairs of the department at least quarterly;

(4) report to the board the governor's suggestions for department operations;

(5) report to the governor on efforts, including legislative requirements, to maximize the efficiency of department operations through the use of private enterprise;

(6) periodically review the department's

organizational structure and submit recommendations for structural changes to the governor, the board, and the Legislative Budget Board;

(7) designate at least one employee of the department as a civil rights officer of the department and receive regular reports from the officer or officers on the department's efforts to comply with civil rights legislation and administrative rules;

(8) create subcommittees, appoint board members to subcommittees, and receive the reports of subcommittees to the board as a whole;

(9) appoint a member of the board to act in the absence of the chair and vice chair; and

(10) serve as the departmental liaison with the governor and the Office of State-Federal Relations to maximize federal funding for transportation.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 37, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 137, eff. September 1, 2013.

Sec. 1001.024. BOARD MEETINGS. The board shall hold regular meetings at least quarterly and special meetings at the call of the chair. Board members shall attend the meetings of the board. The chair shall oversee the preparation of an agenda for each meeting and ensure that a copy is provided to each board member at least seven days before the meeting.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.025. RECOMMENDATIONS TO LEGISLATURE. (a) The board shall consider ways in which the department's operations may be improved and may periodically report to the legislature concerning potential statutory changes that would improve the operation of the department.

(b) On behalf of the board, the chair shall report to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officers of relevant legislative committees on legislative recommendations adopted by the board and relating to the operation of the department.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.026. COMPENSATION. A member of the board is entitled to compensation as provided by the General Appropriations Act. If compensation for board members is not provided by that Act, each member is entitled to reimbursement for actual and necessary expenses incurred in performing functions as a member of the board.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.027. GROUNDS FOR REMOVAL. (a) It is a ground for removal from the board if a board member:

(1) does not have at the time of appointment or maintain during service on the board the qualifications required by Section [1001.021](#);

(2) violates a prohibition provided by Section [1001.021](#);

(3) cannot discharge the member's duties for a substantial part of the term for which the member is appointed because of illness or disability; or

(4) is absent from more than half of the regularly scheduled board meetings that the board member is eligible to attend during a calendar year, unless the absence is excused by majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that it is taken when a ground for removal of a board member exists.

(c) If the executive director of the department knows that a potential ground for removal exists, the director shall notify the chair of the board of the ground, and the chair shall notify the

governor and the attorney general that a potential ground for removal exists. If the potential ground for removal relates to the chair, the director shall notify another board member, who shall notify the governor and the attorney general that a potential ground for removal exists.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.028. CONFLICT OF INTEREST. (a) A member of the board shall disclose in writing to the executive director if the member has an interest in a matter before the board or has a substantial financial interest in an entity that has a direct interest in the matter.

(b) The member shall recuse himself or herself from the board's deliberations and actions on the matter in Subsection (a) and may not participate in the board's decision on the matter.

(c) A person has a substantial financial interest in an entity if the person:

(1) is an employee, member, director, or officer of the entity; or

(2) owns or controls, directly or indirectly, more than a five percent interest in the entity.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.029. INFORMATION ON QUALIFICATIONS AND CONDUCT. The department shall provide to the members of the board, as often as necessary, information concerning the members' qualifications for office and their responsibilities under applicable laws relating to standards of conduct for state officers.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.030. BOARD MEMBER TRAINING. (a) A person who is appointed to and qualifies for office as a member of the board may not vote, deliberate, or be counted as a member in attendance at a meeting of the board until the person completes a training program

that complies with this section.

(b) The training program must provide the person with information regarding:

(1) the law governing department operations;

(2) the board's programs, functions, and rules and the budget of the department;

(3) the scope of and limitations on the rulemaking authority of the board;

(4) the types of board rules, interpretations, and enforcement actions that may implicate federal antitrust law by limiting competition or impacting prices charged by persons engaged in a profession or business the board regulates, including any rule, interpretation, or enforcement action that:

(A) regulates the scope of practice of persons in a profession or business the board regulates;

(B) restricts advertising by persons in a profession or business the board regulates;

(C) affects the price of goods or services provided by persons in a profession or business the board regulates; or

(D) restricts participation in a profession or business the board regulates;

(5) the results of the most recent formal audit of the department;

(6) the requirements of:

(A) laws relating to open meetings, public information, administrative procedure, and disclosure of conflicts of interest; and

(B) other laws applicable to members of the board in performing their duties; and

(7) any applicable ethics policies adopted by the department or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program, regardless of whether the attendance at the program occurs before or after the person qualifies for office.

(d) The executive director shall create a training manual that includes the information required by Subsection (b). The executive director shall distribute a copy of the training manual annually to each member of the board. Each member of the board shall sign and submit to the executive director a statement acknowledging that the member received and has reviewed the training manual.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 594 (S.B. 604), Sec. 1.02, eff. September 1, 2019.

Sec. 1001.031. ADVISORY COMMITTEES. (a) The board shall retain or establish one or more advisory committees to make recommendations to the board or the executive director. A committee has the purposes, powers, and duties, including the manner of reporting its work, prescribed by the board. A committee and each committee member serves at the will of the board.

(a-1) Repealed by Acts 2019, 86th Leg., R.S., Ch. 594 (S.B. 604), Sec. 1.08(3), eff. September 1, 2019.

(b) The board shall appoint persons to each advisory committee who:

(1) are selected from a list provided by the executive director; and

(2) have knowledge about and interests in, and represent a broad range of viewpoints about, the work of the committee or applicable division.

(c) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1290, Sec. 44(a)(3), eff. September 1, 2011.

(d) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1290, Sec. 44(a)(3), eff. September 1, 2011.

(e) A member of an advisory committee may not be compensated by the board or the department for committee service.

(f) The meetings of an advisory committee shall be made accessible to the public in person or through electronic means.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01,

eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. 2017), Sec. 38, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. 2017), Sec. 44(a)(3), eff. September 1, 2011.

Acts 2019, 86th Leg., R.S., Ch. 594 (S.B. 604), Sec. 1.08(3), eff. September 1, 2019.

SUBCHAPTER C. PERSONNEL

Sec. 1001.041. DEPARTMENT PERSONNEL. (a) Subject to the General Appropriations Act or other law, the executive director shall appoint deputies, assistants, and other personnel, including a general counsel, as necessary to carry out the powers and duties of the department under this code, other applicable vehicle laws of this state, and other laws granting jurisdiction or applicable to the department.

(b) A person appointed under this section must have the professional and administrative experience necessary to qualify the person for the position to which the person is appointed.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 594 (S.B. 604), Sec. 1.03, eff. September 1, 2019.

Sec. 1001.0411. EXECUTIVE DIRECTOR; DUTIES. (a) The board shall appoint an executive director to serve at the pleasure of the board. The executive director shall perform all duties assigned by the board.

(b) The executive director may delegate duties or responsibilities as the executive director considers appropriate, provided the delegation does not conflict with applicable law or a resolution of the board.

(c) In accordance with Section 1001.041(a), the executive director shall hire and oversee a general counsel to advise the

department.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 39, eff. September 1, 2011.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 594 (S.B. [604](#)), Sec. 1.04, eff. September 1, 2019.

Sec. 1001.042. DIVISION OF RESPONSIBILITIES. The board shall develop and implement policies that clearly separate the policy-making responsibilities of the board and the management responsibilities of the executive director, including the appointment of department staff, and the staff of the department.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. [3097](#)), Sec. 1.01, eff. September 1, 2009.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. [2741](#)), Sec. 138, eff. September 1, 2013.

Acts 2019, 86th Leg., R.S., Ch. 594 (S.B. [604](#)), Sec. 1.05, eff. September 1, 2019.

Sec. 1001.043. EQUAL EMPLOYMENT OPPORTUNITY POLICY; REPORT.

(a) The executive director or the director's designee shall prepare and maintain a written policy statement to ensure implementation of a program of equal employment opportunity under which all personnel transactions are made without regard to race, color, disability, sex, religion, age, or national origin. The policy statement must include:

(1) personnel policies, including policies relating to recruitment, evaluation, selection, appointment, training, and promotion of personnel that are in compliance with Chapter [21](#), Labor Code;

(2) a comprehensive analysis of the department workforce that meets federal and state guidelines;

(3) procedures by which a determination can be made of significant underuse in the department workforce of all persons for whom federal or state guidelines encourage a more equitable balance; and

(4) reasonable methods to appropriately address those areas of significant underuse.

(b) A policy statement prepared under this section must:

(1) cover an annual period;

(2) be updated annually;

(3) be reviewed by the civil rights division of the Texas Workforce Commission for compliance with Subsection (a); and

(4) be filed with the governor.

(c) The governor shall deliver a biennial report to the legislature based on the information received under Subsection (b). The report may be made separately or as a part of other biennial reports made to the legislature.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.044. QUALIFICATIONS AND STANDARDS OF CONDUCT. The executive director shall provide to department employees, as often as necessary, information regarding their:

(1) qualification for office or employment under this subtitle; and

(2) responsibilities under applicable laws relating to standards of conduct for state employees.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

Sec. 1001.045. CAREER LADDER PROGRAM; PERFORMANCE EVALUATIONS. (a) The executive director or the director's designee shall develop an intra-agency career ladder program. The program must require intra-agency posting of all nonentry level positions concurrently with any public posting.

(b) The executive director or the director's designee shall develop a system of annual performance evaluations. All merit pay for department employees must be based on the system established under this subsection.

Added by Acts 2009, 81st Leg., R.S., Ch. 933 (H.B. 3097), Sec. 1.01, eff. September 1, 2009.

SUBCHAPTER D. ELECTRONIC ISSUANCE OF LICENSES

Sec. 1001.101. DEFINITIONS. In this subchapter:

(1) "Digital signature" means an electronic identifier intended by the person using it to have the same force and effect as the use of a manual signature.

(2) "License" includes:

(A) a motor carrier registration issued under Chapter 643;

(B) a motor vehicle dealer, salvage dealer, manufacturer, distributor, representative, converter, or agent license issued by the department;

(C) specially designated or specialized license plates issued under Chapter 504; and

(D) an apportioned registration issued according to the International Registration Plan under Section 502.091.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. 2017), Sec. 40, eff. September 1, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 161 (S.B. 1093), Sec. 20.032, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 1135 (H.B. 2741), Sec. 139, eff. September 1, 2013.

Sec. 1001.102. APPLICATION FOR AND ISSUANCE OF LICENSE. The board by rule may provide for the filing of a license application and the issuance of a license by electronic means.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. 2017), Sec. 40, eff. September 1, 2011.

Sec. 1001.103. DIGITAL SIGNATURE. (a) A license application received by the department is considered signed if a digital signature is transmitted with the application and intended by the applicant to authenticate the license in accordance with Subsection (b).

(b) The department may only accept a digital signature used to authenticate a license application under procedures that:

(1) comply with any applicable rules of another state agency having jurisdiction over department use or acceptance of a digital signature; and

(2) provide for consideration of factors that may affect a digital signature's reliability, including whether a digital signature is:

(A) unique to the person using it;

(B) capable of independent verification;

(C) under the sole control of the person using it; and

(D) transmitted in a manner that makes it infeasible to change the data in the communication or digital signature without invalidating the digital signature.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1290 (H.B. [2017](#)), Sec. 40, eff. September 1, 2011.

SUBCHAPTER E. TEXAS DEPARTMENT OF MOTOR VEHICLES FUND

Sec. 1001.151. TEXAS DEPARTMENT OF MOTOR VEHICLES FUND.

(a) The Texas Department of Motor Vehicles fund is a special fund in the treasury outside the general revenue fund and the state highway fund.

(b) Except as provided by Subsection (c), and unless otherwise dedicated by the Texas Constitution, the fund consists of:

(1) money appropriated by the legislature to the department;

(2) money allocated to pay fund accounting costs and related liabilities of the fund;

(3) gifts, grants, and donations received by the department;

(4) money required by law to be deposited to the fund;

(5) interest earned on money in the fund; and

(6) other revenue received by the department.

(c) Money appropriated to the department for Motor Vehicle Crime Prevention Authority purposes and other revenue collected or received by the Motor Vehicle Crime Prevention Authority may not be

deposited into the fund.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1287 (H.B. [2202](#)), Sec. 71, eff. September 1, 2013.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 594 (S.B. [604](#)), Sec. 5.27, eff. September 1, 2019.

Sec. 1001.152. USE OF MONEY IN FUND. Money that is required to be deposited in the state treasury to the credit of the Texas Department of Motor Vehicles fund may be used by the department only:

(1) to support the department's operations and the administration and enforcement of the department's functions; or

(2) to pay the accounting costs and related liabilities for the fund, including fringe benefits, workers' compensation, and unemployment compensation.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1287 (H.B. [2202](#)), Sec. 71, eff. September 1, 2013.

Sec. 1001.153. APPLICABILITY OF OTHER LAW. Subchapter [D](#), Chapter [316](#), Government Code, and Section [403.095](#), Government Code, do not apply to the fund created under Section [1001.151](#).

Added by Acts 2013, 83rd Leg., R.S., Ch. 1287 (H.B. [2202](#)), Sec. 71, eff. September 1, 2013.

SUBCHAPTER F. AUTHORITY REGARDING REAL PROPERTY

Sec. 1001.201. OWNERSHIP, CONTROL, MAINTENANCE, IMPROVEMENT, AND DISPOSITION OF REAL PROPERTY.

(a) Notwithstanding Chapters [2165](#), [2166](#), and [2167](#), Government Code, or any other law, the department may own, control, manage, maintain, improve, lease, pledge, encumber, trade, sell, transfer, and otherwise dispose of real property, including improvements.

(b) If requested by the department, the General Land Office shall negotiate and close a sale of real property under this section on behalf of the department using procedures under Section [31.158\(c\)](#), Natural Resources Code, except that the General Land

Office is not required to offer the School Land Board the first option to purchase the real property.

(c) Revenue from the lease, encumbrance, sale, trade, transfer, or other disposition of real property under this section shall be deposited to the credit of the Texas Department of Motor Vehicles fund for the use and benefit of the department.

(d) The expenses incurred by the General Land Office in conducting a real estate transaction under this section, including the payment of reasonable brokerage fees, may be deducted from the proceeds of the transaction before the proceeds are deposited to the credit of the Texas Department of Motor Vehicles fund.

Added by Acts 2017, 85th Leg., R.S., Ch. 215 (S.B. [1349](#)), Sec. 4, eff. May 28, 2017.

Sec. 1001.202. CONTRACT AUTHORITY. (a) Notwithstanding Chapters [2165](#), [2166](#), and [2167](#), Government Code, or any other law, the department may enter into a contract regarding the management, maintenance, design, construction, rehabilitation, repair, renovation, improvement, inspection, lease, pledge, encumbrance, trade, sale, transfer, or other disposition of real property, including improvements, under this subchapter.

(b) The department shall comply with the requirements and processes in Chapters [2165](#), [2166](#), and [2167](#), Government Code, to the extent feasible, except that the department shall comply with a requirement that expressly applies to a state agency that is exempt from Chapter [2166](#), Government Code, under Section 2166.003 of that code. Although the department is not required to use the services of the Texas Facilities Commission, the department may use services provided under Sections [2165.056](#), [2166.005](#), and [2167.007](#), Government Code.

Added by Acts 2017, 85th Leg., R.S., Ch. 215 (S.B. [1349](#)), Sec. 4, eff. May 28, 2017.