TEXAS DEPARTMENT OF MOTOR VEHICLES

BOARD MEETING

OPEN MEETING VIA TELEPHONE CONFERENCE CALL
PURSUANT TO GOVERNOR'S MARCH 16, 2020,
TEMPORARY SUSPENSION OF CERTAIN
OPEN MEETING PROVISIONS

Thursday,
June 11, 2020

BOARD MEMBERS:

Guillermo "Memo" Treviño, Chair
Charles Bacarisse, Vice Chair
Stacey Gillman
Brett Graham
Tammy McRae
John Prewitt
Paul Scott
Shelley Washburn (absent)
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(Relating to:
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SB 604, relating to changes to salvage dealer licenses; HB 1342, relating to a person's eligibility for an occupational license; and SB 1217, prohibiting consideration of certain arrests in determining license eligibility)


8. Chapter 217, Vehicle Titles and Registration Amendments, §217.74 (Relating to SB 604, requirement of each county tax assessor-collector to make webDEALER available to any licensed motor vehicle dealer requesting access)

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MR. TREVIÑO: Good morning. My name is Memo Treviño, and I'm pleased to open the board meeting of the Texas Department of Motor Vehicles.

It is approximately 8:03 a.m., and I am now calling the board meeting for June 11, 2020 to order. I want to note for the record that the public notice of this meeting, containing all items on the agenda, was filed with the Office of Secretary of State on June 3, 2020.

This meeting is being held by telephone conference call in accordance with Texas Government Code, Chapter 551, as temporarily modified under Governor Greg Abbott's authority to suspend certain statutes due to COVID-19. Governor Abbott suspended various provisions of the Texas Open Meetings Act that require government officials and members of the public to be physically present at a specified meeting location.

Under that suspension, the public will not be able to physically attend this meeting in person. Instead, the public may attend this meeting by using the link or by calling the toll-free telephone number which are both posted in our agenda which was filed with the Office of Secretary of State on June 3, 2020. All board members, including myself, will be participating remotely via Webex.
At this time, will all attendees please mute your phone for the entire duration of this meeting. I'm asking our Webex host to make sure all attendees' phones are muted and their video is turned off, except for board members and those who are presenting. Callers will be removed for any disruption, including background noises. And I'm going to take just a moment just to make sure that my audio is coming in well.

MS. BEAVER: Thank you, Chairman. Yes, we can hear you loud and clear.

And would the meeting host please take down the technology device. Thank you.

MR. TREVIÑO: Great. I would like to remind all participants that this is a telephone conference call meeting. Because this meeting is being held by telephone conference call, there are a few things that will assist in making the meeting run smoother and assist the court reporter in getting an accurate record.

Department staff and any commenters should identify themselves before speaking. Speak clearly. Remember that there may be a slight delay due to the telephone conference call, so please wait a little longer than usual before responding to participants. Do not speak over others, and speakers should ask the chairman to proceed and be sure to get recognized before speaking.
If you wish to address the board or speak on an agenda item during today's meeting, please send and email to GCO_General@txdmv.gov. Please identify in your email the specific item you're interested in commenting on, your name and address and whether you are representing anyone or speaking for yourself. If your comment does not pertain to a specific agenda item, we will take your comment during the general public comment portion of the meeting.

In accordance with department and administrative rule, comments to the board will be limited to three minutes, then the call will be muted. Comments should be pertinent to the issues stated in your email. When addressing the board, please state your name and affiliation for the record.

Before we begin today, I'd like to remind all presenters and those in attendance of the rules of conduct at our board meetings. In the department's rules under Section 206.22, the board chair is given authority to supervise the conduct of meetings.

This includes the authority to determine when a speaker is being disruptive of the meeting or is otherwise violating the time or presentation rules I just discussed. Disruptive speakers will be muted, given a warning about disruptive behavior, and removed from the meeting for any
continued disruption.

Okay. We'll move to agenda item 1 and call the roll of the board members.

Board Member Bacarisse, are you here?

MR. BACARISSE: Present.

MR. TREVIÑO: Board Member Gillman?

MS. GILLMAN: I am here.

MR. TREVIÑO: Board Member Graham?

MR. GRAHAM: Present.

MR. TREVIÑO: Board Member McRae?

MS. McRAE: Here.

MR. TREVIÑO: Board Member Prewitt?

MR. PREWITT: Here.

MR. TREVIÑO: Board Member Scott? Board Member Scott? I thought I saw Member Scott's video.

MR. SCOTT: Here I am. I'm here. Thank you.

MR. TREVIÑO: Great.

Board Member Washburn? I believe Member Washburn indicated she was not going to be present. Is that correct?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

That is correct, Chairman. Thank you.

MR. TREVIÑO: Okay. And let the record reflect that I, Guillermo Treviño am here too. We have a quorum.
Also let the record reflect that Member Washburn is absent today.

And now we will move to agenda item 2, the pledge of allegiance. Before we begin, I ask that the board and other panelists please turn off your video, except for Jeremiah Kuntz. We are very fortunate today to have Mr. Parker Kuntz, member of Cub Scout Pack 333 and the son of Jeremiah Kuntz, to lead us in the pledges of allegiance. Please, once you have turned off your video and audio, all stand and honor our country and state with the pledges of allegiance.

Parker and Jeremiah, will you please lead us in the pledges?

MR. KUNTZ: Thank you, Chairman.

(The Pledge of Allegiance and the Texas Allegiance were recited.)

MR. TREVIÑO: All right. Parker, thanks a lot for joining us today. You did a great job.

PARKER KUNTZ: Thank you.

MR. TREVIÑO: Your dad is a great man. We appreciate all he does for the State of Texas; we're very proud of him.

MS. GILLMAN: Already a great part of the day.

MR. TREVIÑO: Yep. I think it's a mic drop and we just shut it all down here and move on. That was
Okay. Members and panelists, please turn your video and audio back on.

We'll now move to the chair's report, agenda item 3. It is my duty to inform the board that we received Member Joel Richardson's notice of resignation. I would like to thank him for his service on the board, and I know I speak for the entire board when I say we wish him very well.

Okay, item 3.B. Section 1001.023 of the Transportation Code sets out the duties of the board chair and vice chair. One of the duties of the board chair is to report to the governor on the state of affairs of the department. The annual report was submitted to the governor on April 23, 2020. It is posted on the agency's external website at www.txdmv.gov at the bottom of the page located under Learn More and Reports and Data.

So now we'll turn it over to the executive director, Whitney Brewster, for agenda item number 4.

Whitney, are you there? I see Whitney on here.

Whitney?

MS. BEAVER: Chairman, Tracey Beaver, general counsel, for the record.

It appears that there is a technology issue.

Perhaps we could give Whitney just a moment to see if the
connection restarts. Thank you.

MR. TREVIÑO: Certainly, certainly.

MS. BREWSTER: Mr. Chairman, can you hear me?

MR. TREVIÑO: Yes, we can.

MS. BREWSTER: (Inaudible due to audio issue.)

MR. TREVIÑO: We had her there for a second.

And I apologize for the awkward silence.

Tracey?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Chairman, if you would like to table agenda item number 4, and we can take it up later in the board meeting, if that would be okay with you, or we could take a break to address the technology issue.

MR. TREVIÑO: Okay. So you recommendation is just to take a break to see if we can get Whitney back on. Okay, sure. Great.

MS. BEAVER: Actually, it looks like Whitney may have just gotten back on.

MR. TREVIÑO: I see her name on the participants list.

MS. BEAVER: It appears that there is a technology issue with Ms. Brewster, so if you would like to take a break or go to the next agenda item. Thank you.

MR. TREVIÑO: Well, the next agenda item is
Daniel Avitia, the contested case. Should we wait for Whitney to do the contested case or should we just jump into that?

MS. BEAVER: It might be a good idea to take a break then if there is a technology issue and just take a moment for Ms. Brewster to log back in.

MS. BREWSTER: I am here. Can you hear me?

MR. TREVIÑO: Yes, we can now.

MS. BREWSTER: All right. I apologize for that.

MR. TREVIÑO: We can continue with the update on the department.

MS. BREWSTER: Thank you, Mr. Chairman.

Good morning, Mr. Chairman and members of the board. For the record, Whitney Brewster, executive director. Thank you for the opportunity to update you on some of the activities that are occurring at the department.

I'll start off with the Consumer Protection Advisory Committee. When TxDMV went through the Sunset review by the legislature in 2018, the continuing legislation Senate Bill 604 recommended that the TxDMV Board establish formal advisory committees to assist the department staff and the board on decision-making. The board subsequently adopted rules for establishing these
advisory committees, including the Consumer Protection Advisory Committee, to ensure inclusivity as well as transparency.

This is, just as a reminder, the second advisory committee to be established so far, with the Vehicle Titles and Registration Committee having already met and providing feedback to the board on digital license plates, which you'll be hearing more about later on in this meeting.

The Consumer Protection Advisory Committee held its introductory meeting via teleconference on April 23, and has since met again on May 19 and May 28 to dive into some pretty meaty topics before the committee. And I want to thank the CPAC committee for all of their work thus far and the work that they are continuing to do.

The committee has been discussing primarily four main topics and will be providing some recommendations to the board later today, as well as an update on their remaining activities. So the topics that they are looking at is, first, how to handle the issuance of a title when a motor vehicle dealer goes out of business, also how to strengthen and enforce data protected under the Driver Privacy Protection Act, also how to issue refunds by motor vehicle dealers and motor carriers transporting household goods, and then finally
how to improve the issuance and security of temporary tags.

So as you can imagine hearing those, those are pretty substantial topics for discussion by the members to form the recommendations for further direction to the board, and so the committee plans to meet again June 18 and June 25 for future meetings.

Again, I appreciate all the time and energy our advisory committee members are putting into bringing recommendations to the board for consideration. These are our volunteers, and I very much appreciate the time and energy they are devoting to bringing forward recommendations to the board.

(Loss of audio.)

MR. TREVIÑO: Whitney, you broke up there toward the end. I would say the last 30 seconds or so were unintelligible.

MS. BREWSTER: So I was just indicating that there would be more to come on the CPAC committee later in the agenda, but I was just going to pause here and see if there were any questions. If not, I can move on to item B.

MR. TREVIÑO: Thank you, Whitney.

Does the board have any questions for Ms. Brewster?
(No response.)

MR. TREVIÑO: Hearing none, Ms. Brewster, I have a question. What are the salaries of all these committee members? What are their salaries?

MS. BREWSTER: Zero.

MR. TREVIÑO: No stock options, they get nothing?

MS. BREWSTER: No, they get no compensation.

MR. TREVIÑO: They're volunteers, so we do want to thank them for their service to the State of Texas. It is greatly appreciated, and that's what our republic is built on, is citizens participating. So thank you very much for your participation in that.

Okay. So I guess we can move on to your next agenda item.

MS. BREWSTER: Thank you.

Not long after closing our offices and shifting most of our workforce to telecommuting due to the COVID-19 pandemic in mid-March, department leadership has been discussing what it would look like when we reopen our offices.

Now kind of fast forward to mid-May, when in coordination with the Governor's Office, we reopened our regional service centers the week of May 25 after the Memorial Day holiday. Because of that early preparation
and planning and with the work of our staff, we successfully opened those offices.

(Loss of audio.)

MR. TREVIÑO: Whitney, we lost you again. Whitney, are you back?

(No response.)

MR. TREVIÑO: Is everybody else still on? Brett, Paul, I can see you guys.

MS. GILLMAN: Yep, we're still here.

MS. McRAE: Here.

MR. TREVIÑO: Thank you, Member Gillman. Tracey? MS. BEAVER: Tracey Beaver, general counsel, for the record.

Chairman, would you like to take a quick break so we can see if we can address the technology issue?

MR. TREVIÑO: We'll give her just a second. While you're addressing that, I think she was talking about getting all the offices opened. Is that correct, having to do with the COVID response?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Yes, absolutely. Thank you, Chairman.

MR. TREVIÑO: And just to summarize, getting the offices opened out in the field was a great effort by
the department. During our weekly -- we have a weekly
discussion with staff, and just their preparations, the
way they brought everyone together, it was pretty
impressive. I mean, it's been a very tough year for Texas
and a challenging one for the department itself.

I do want to just acknowledge the effort that
staff made bringing everybody together, IT, Vehicle Titles
and Registration, Finance and Administration, just all the
whole work that the executive team did bringing all the
areas together to get the offices open safely.

They opened up 15 out of the 16 in line with
the governor's directive, and they opened the 16th office
up a couple of days later, so for me, that's just
tremendous to do that safely and bring all these different
parts of the department and areas of the State of Texas
together to get this done.

So congratulations to the department for all
your hard work getting this accomplished, which was no
easy task. I know it's just a line item on the agenda,
but all the work that went into it is staggering and just
a great job, great job.

Whitney, are you back?

(No response.)

MS. BEAVER: Chairman, Tracey Beaver, general
counsel, for the record.
Whitney is going to try to address the
technology issue, so we can either move on to the next
agenda item, if you'd like, or take a break.

MR. TREVIÑO: Do you think it would be
appropriate to go to the next agenda item without her, the
contested case, or do you think it would be better to wait
for her?

MS. BEAVER: That would be fine either way,
Chairman, if you would like to continue moving on. We can
always bring up her executive director reports later on in
the board meeting if you'd like to table those items.

MR. TREVIÑO: I'd like to do that because it's
unclear whether the technology issue will be resolved, and
I'd hate to wait 30 minutes and still be in the same
position. So if it's appropriate, I would like to move on
with the agenda then.

So we'll move on to agenda item number 5, it's
the contested case. We'll hear a briefing by Daniel
Avitia, and before we move to the contested case
presentations, we'll hear from our general counsel, Tracey
Beaver.

MS. BEAVER: Thank you, Chairman.

Each party in this case was given an
opportunity to present ten minutes for their presentation
and five minutes for rebuttal. We do have a
representative for the party Bam's on the line as an attendee, and that individual is logged on as Angela McKinnon, so I would ask if the IT host would please promote Angela McKinnon to panelist once the chairman makes that recommendation in the script.

And that's all I have. Thank you.

MR. TREVIÑO: Great. Thank you, Ms. Beaver.

Daniel Avitia will now address agenda item 5, the contested case.

Daniel.

MR. AVITIA: Thank you, Chairman.

Chairman, members, Ms. Brewster, good morning.

For the record, I am Daniel Avitia. I am the director of the Motor Vehicle Division.

Mr. Damian Shores is the attorney in the Enforcement Division is the attorney that presented this case to the State Office of Administrative Hearings and represented the department at the hearing.

Agenda item 5 can be found on page 8 of your board books. It is the contested case regarding the Texas Department of Motor Vehicles v. Harrell Berry d/b/a Bam's Sales and Service, Inc.

Bam's application history alerted staff that Mr. Berry was likely acting as a chameleon, which is somebody that applies for a license on behalf of a former
business owner who is ineligible or otherwise should not
be licensed.

Under Texas Administrative Code 215.89(b)(8),
the department may deny a person's license application if
a manager or affiliate of a corporation is ineligible for
licensure.

The Motor Vehicle Division Licensing Committee
originally denied the license application for Mr. Berry
after reviewing circumstances, including the information
provided by Mr. Berry.

Key factors, again, for originally denying the
license are the following: number one, the business
website and Facebook pages featured photos of the prior
owner and the page text indicated the prior owner was
still actively involved in the business; number two, Mr.
Berry's application indicated that the prior owner was
employed as a business manager, and he provided no proof
in the application that the prior owner's employment had
been terminated; and then finally, number three, the
business website falsely stated that the business was a
licensed dealership and advertised nine motor vehicles for
sale.

Now, while chameleon cases or affiliation cases
are extremely difficult to prove, the Motor Vehicle
Division believes these cases are important for two
reasons: number one, to put license holders on notice that the department will not allow dealers to skirt license eligibility requirements; and two, and more importantly, to protect the public from unscrupulous dealers.

In this case and at the time of the hearing the ALJ found that Mr. Berry was taking sufficient actions to disassociate his business from the business owner that formerly owned Bam's, and that the department should issue the license. After careful review, staff is asking the board to issue a final order which concurs with the ALJ's proposal for decision and move forward with approving Bam's Sales and Service's application for a general distinguishing number, or GDN, license.

As Counsel Beaver stated earlier, Mr. Berry is represented by Ms. Angela McKinnon. Ms. McKinnon received notice of this meeting, and counsel is present to provide comments today.

Members, this concludes my remarks. Thank you.

MR. TREVIÑO: Mr. Avitia, thank you very much for your comments.

Any questions from board members?

(No response.)

MR. TREVIÑO: Okay. Hearing none, before we proceed, will the meeting host please move Angela Reese
McKinnon to panelist so she can have her video and audio
on, and let me know when that's accomplished.

Ms. Reese McKinnon, are you on? We can't hear
you, still can't hear you. I'm not sure if it's on your
end or on our end?

MS. McKINNON: Can you hear me?

MR. TREVIÑO: No. I still can't hear you. I
thought I heard you just for a split second.

MS. McKINNON: Can you hear me now?

MR. TREVIÑO: Yeah, I think there's a delay,
though.

MS. McKINNON: May I be heard?

MR. TREVIÑO: Yes, you can, but there's a
slight delay in your feed somehow, like a split second,
but I think we've got you. Try one more time.

MS. McKINNON: Hello.

MR. TREVIÑO: We can hear you. We will now
receive a presentation by Angela Reese McKinnon.

MS. McKINNON: Yes. As it was stated, we did
have an administrative hearing on this particular
contested case. We put forth evidence at that time to
show that Mr. Berry actually purchased this business from
the previous owner, Mr. Harlem Lewis, in a valid, very
legal transaction.

The public records on file show that Mr. Berry
is the only owner for the business. When he initially
applied for his license, he had no knowledge of Mr. Harlem
Lewis's previous application, and so he did make
accommodations and amendments, actually, to the business
itself following it in order to comply with the
requirements in order for him to receive his license.

Mr. Berry has no criminal background, which is
what he has attested to in the hearing, and I believe the
judge actually decided in our favor and determined that
there was no evidence that a chameleon relationship was
ever in place for this transaction. There's actually no
evidence of a chameleon transaction in this case.

Mr. Berry is just asking to have his license so
that he can move forward with his business. It's been
pending for some time now, and so at this point he's at a
position where he's purchased a business, he's invested in
a business that he can do very limited things with at this
point until he can actually get his license. There is
absolutely no true reasons as to why Mr. Berry shouldn't
be allowed to obtain a license so that he can move forward
with the business.

Even boiling down to the business relationship
between him and Harlem Lewis, it's just a simple
transaction that he invested in business that Harlem Lewis
obviously couldn't maintain because he wasn't able to get
a license because of his own background. That should not have any bearing on Mr. Harrell Berry.

With that, I'll go ahead and close my statements at this point, unless anyone has any questions.

MR. TREVIÑO: Okay. Thank you very much, Ms. McKinnon, for that succinct recap of the case.

Does anybody have any questions for Ms. McKinnon?

(No response.)

MR. TREVIÑO: Okay. Hearing none, Ms. McKinnon, do you have anyone else presenting on this case?

MS. McKINNON: No, not unless Mr. Berry was able to log in, but I know he was having his own technical issues and it didn't look like he was able to.

MR. TREVIÑO: Okay. Any other questions?

(No response.)

MR. TREVIÑO: If there's no other questions, will our meeting host please move Angela Reese McKinnon to attendee status.

Any questions? Anybody have any other issues on this case?

(No response.)

MR. TREVIÑO: If not, the chair would entertain a motion. Anyone have any thoughts or would anyone like to proffer a motion?
MR. SCOTT: This is Member Scott.

MR. TREVIÑO: Member Scott. The chair recognizes Member Scott.

MR. SCOTT: I move that the board uphold the SOAH's PFD and adopt the findings of fact and conclusions of law as stated in the proposal for decision, including granting Mr. Berry's application for a GDN.

MR. TREVIÑO: Great. We have a motion from Member Scott. Do we have a second?

MR. GRAHAM: Second.

MR. TREVIÑO: We have a second from Member Graham.

Okay. Any discussion?

(No response.)

MR. TREVIÑO: Hearing none, I will call for the vote. Board members, when I call your name, please state your vote for the record.

Board Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Board Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Board Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Board Member McRae?

MS. McRAE: Aye.
MR. TREVIÑO: Board Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Board Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Board Member Washburn is not present. I, Chairman Treviño, also vote aye, so the vote is unanimous and the vote carries.

So, congratulations, Ms. McKinnon. Please inform your client that everything went well.

Is Whitney back on then?

MS. BREWSTER: Mr. Chairman, I'm here. Can you hear me okay?

MR. TREVIÑO: Yes, we can hear you well now. So would you like to continue now? I'm more concerned about the team members who are waiting for their annual years in service awards.

MS. BREWSTER: Excellent. Technology is awesome when it works.

MR. TREVIÑO: You bet.

MS. BREWSTER: So not long after closing our offices and shifting most of our workforce to telecommuting due to the COVID-19 pandemic in mid-March, department leadership began discussing what it would look like when we reopen our offices and certainly welcome more of our employees back on site.
Now, kind of fast-forward to mid-May when, in coordination with the Governor's Office, we reopened our regional service centers the week of May 25, and that was obviously after the Memorial Day holiday.

And because of the early preparation and planning and with the amazing work of staff, frankly, we successfully opened those offices. And I cannot thank enough our Vehicle Titles and Registration and Finance and Administrative Services staff for really everything that they were able to accomplish in preparing these offices. They far exceeded our expectations.

On May 26, 15 of the 16 regional service centers reopened to providing in-person services by appointment only and obviously with new health and safety procedures in place. The Pharr office opened shortly thereafter on May 29.

Our Finance and Administrative Services Division arranged the procurement and installation of plexiglass barriers at customer counters, social distancing signs, floor markers, and the much sought after PPE equipment for employees.

Many, many staff members worked through the holiday weekend to make sure everything would be ready to safely open on time. And we announced the opening of offices to the public via press releases, media
interviews, social media posts and website updates, as well as other stakeholder communications.

Really, other than a few issues with the online appointment system during the first couple of days, everything has been very smooth at the regional service centers, and while our overall operations are certainly far from normal, resuming in-person service was a huge milestone that I think we should all be proud of.

In the meantime, our internal reopening working group is planning the next phases of our reopening plan which will include expanding our services in the regional service centers, the voluntary return of more of our employees to work on site while still allowing telecommuting where feasible. There is some resumption of on-site services at headquarters allowing limited site visits of our regulated community and county tax offices, and eventually a return to somewhat of a normal operations. Certainly normal will be different than it was pre COVID-19.

Once we notify the public that normal operations are in effect, that will trigger the start of the 60-day clock for the public to come into compliance with registration and titling requirements.

It's important to point out that there is not a time frame yet for these additional phases of our
reopening plan. We are working very closely with the Office of the Governor, and the plans are always subject to change, certainly, based on health and safety circumstances and in coordination with state leadership.

But as a part of our reopening plan, we asked our employees to complete a survey about returning to the workplace and what they felt like they needed to return comfortably back to the office, and we had an amazing response rate of over 80 percent. Our internal reopening working group has been factoring in those survey results to our reopening plan, and we continue to track both the operational and financial impacts of the COVID-19 pandemic.

The Finance and Audit Committee, as you know, Mr. Chairman, met yesterday to discuss the financial impacts of COVID-19, and I know Member Graham will give an overview later in the meeting on some of those items, but I just wanted to mention a few operational impacts to you all today.

As you can imagine, we've seen a decrease in some of the services that we provide. From March to May of this year we've seen about a 22 percent decrease in oversize/overweight motor carrier permits compared to the same time last year.

The number of titles issued during the third
quarter of this year is down approximately 34 percent over last year. Registration is not as dire, I'm happy to report. Registration is slightly down for the third quarter over last year by about 4 percent. And although these transactions are down, we have seen some pretty significant increases in call and email volume coming into our Consumer Relations Division. So for example, we saw a 122 percent increase in emails coming into the Consumer Relations Division in April, and in May we saw an increase of calls of about 29 percent.

So we're continuing to monitor, again, those operational and financial impacts of COVID-19 on the agency, and we will continue to report those to the board and certainly our oversight entities.

I do want to thank a couple of employees for their outstanding work for the department's response to the COVID-19 pandemic. First, John Green, who is our business continuity and disaster recovery planner. When the pandemic started there were many organizations, both public and private, that had to start really from scratch and figure out how to respond to this emergency.

I'll just say thanks to John's efforts, TxDMV was in much better shape. He had been working for several years with all of our divisions to put together and implement our continuity of operations plan.
And we first adopted that plan in 2014, and over the years we have tested and modified the plan which includes scenarios not exactly like the COVID-19 pandemic but certain scenarios that are similar where we had to move all of our employees off site because of a health crisis.

John stays in regular contact with FEMA, the U.S. Department of Homeland Security, the FBI, the Texas Department of Public Safety to ensure that we have the critical information we need to navigate an emergency.

So we've moved into the continuity phase of our plan, obviously the week of March 16, and we have been planning the reconstitution phase, if you will, for when more employees are able to return to the office.

So in closing, John has been a key player in managing our plan, which has allowed us really to be able to provide essential services to our customers during this time.

Another employee that I want to make sure I point out and thank is Charity Rehder, who is a permit supervisor in our Motor Carrier Division. Charity is our department's primary representative on the state's Emergency Management Council. Charity and two other Motor Carrier Division employees, Roxanne Boggs and Troy Malecki, have been participating in the Department of
Emergency Management training and exercises since last year really to prepare for disaster scenarios.

So when there's an emergency, TxDMV is obviously not a first responder in the sense of law enforcement or emergency medical services, but we certainly still play a very important and urgent role in ensuring safe and accurate routing for motor carriers delivering emergency supplies and responding to emergency situations.

Having a seat at the table in the state's emergency response process allows our agency really to rapidly respond when needed, and since the beginning of the COVID-19 pandemic, Charity has been participating in ongoing regular calls with the Emergency Management Council to review disaster scenarios and really to stay in contact with the other agencies. She has done an exceptional job, reporting back valuable information to our department so that we can appropriately respond.

So in closing, I want to thank very much John and Charity for their hard work during the COVID-19 pandemic.

With that, Mr. Chairman, I'll pause.

MR. TREVIÑO: Thank you, Whitney.

Any of the board have any comments?

(No response.)
MR. TREVIÑO: Hearing none, speaking for the board, I would like to thank Mr. Green and Ms. Rehder for all the hard work, really the entire organization, to be quite honest with you. Just the flexibility, having to recreate things on the fly in real time, keeping your staff and the citizens of Texas health safety top of mind, while still trying to do your job in a completely different way, it's still amazing to me. And congratulations for the great job that you guys are doing.

MS. BREWSTER: Thank you, Mr. Chairman. It certainly has been an agency-wide effort, and I am just so proud of TxDMV staff for really continuing to move forward to serve Texans with that customer focus while also staying safe. And so I can't say enough great things about the time during this time. They've just really far exceeded expectations.

MR. TREVIÑO: No doubt about it. They're Texans after all, so that's a good thing.

MS. BREWSTER: Hear, hear.

MR. TREVIÑO: All right. So we can keep on moving.

MS. BREWSTER: Thank you, Mr. Chairman.

The next two items, I really just wanted to provide a brief update to let you know that we have met
certain statutory requirements in terms of reports.

The first item, the strategic plan, the agency started the strategic planning process last year, and if you'll recall, agency staff brought to the TxDMV Board for consideration the vision, mission, the philosophy, goals and values of the department, and the board formally adopted those items in the August 2019 board meeting.

Since that time TxDMV staff has been very busy completing the required elements of the plan, and I'm happy to report that the department's strategic plan was submitted on time on June 1, 2020, as required, and posted on the TxDMV website and intranet on June 2.

The plan spans the time frame of FY21 through FY25 and contains some really good information. I encourage those listening in today to take a look at the strategic plan and certainly let me know if you have any questions.

Item D, the security plan. TxDMV completed and submitted the biennial security plan to the Department of Information Resources, as required by law. This submission included a certification of TxDMV completing cybersecurity training, as required by a bill that passed last session, HB 3834.

Details of the report are confidential so I won't be going into the details of the report at this
time, but did want to just report that the TxDMV, 100 percent of TxDMV staff, as well as TxDMV Board, as well as the Motor Vehicle Crime Prevention Authority Board all completed cybersecurity training by June 1st of this year, which I think is a great testament to the importance that the agency puts on cybersecurity, so I'm very excited that we were able to collectively reach that 100 percent mark.

MR. TREVIÑO: Wow. That's a stunning statistic. And wait, you're on the record here, Ms. Brewster, so be careful with your answer. Does that include the board, 100 percent of the board?

MS. BREWSTER: One hundred percent of the board. Congratulations.

MR. TREVIÑO: Wow. I would expect it from the staff but that's amazing. Well done, board, and well done TxDMV, 100 percent. These trainings, I've been on other boards, and this cybersecurity 100 percent, well done, that's terrific. But you know, in the world we live in, we're seeing right now the importance of it. We need to be aware of the cyber risks in front of us.

MS. BREWSTER: Completely agree, Mr. Chairman.

If you are all right with me moving on to item E?

MR. TREVIÑO: Yes, please. I hate that we're making these people wait.
MS. BREWSTER: I know.

At this time I'd like to recognize an employee who has reached a major state service milestone, and we celebrate this employee as a show of our appreciation for her years of service to the citizens of Texas. Belinda Martin from our Vehicle Titles and Registration Division has reached 25 years of state service.

Belinda is the San Antonio Regional Service Center manager, where she has worked since February 18 of 2014. She leads a team of 12 employees performing vehicle title and registration related transactions, such as certified copy of title, bonded title rejection letters, and apportioned registration. She's also responsible for supporting 17 county tax assessor-collector offices in her region.

Prior to settling in San Antonio, Belinda made stops as a manager at the Corpus Christi and Austin regional service centers. Belinda started with VTR, then obviously part of TxDOT, on September 9 of 1995. Over the years Belinda has become known for her expertise in the vehicle title and registration area, and really always goes above and beyond to help all of the agency's customers and stakeholders.

Chairman Treviño and board members, please join me in congratulating Belinda Martin for her years of
MR. TREVIÑO: Hear, hear.

(Applause.)

MR. TREVIÑO: Is Belinda on the call?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

I understand that Belinda is listening in.

MR. TREVIÑO: That's great. Okay. Well, Belinda, I'm sorry we can't see you or hear you, but thank you very much for your 25 years of service and all you do for the citizens of Texas. So again, thank you.

(Applause.)

MS. BREWSTER: Thank you, Mr. Chairman.

Additionally, the following employees reached a state service milestone but weren't able to join us this morning. With 20 years: Diana Batts from the Motor Carrier Division; Dawn McNabb from the Finance and Administrative Services Division; Connie Noble of the Motor Carrier Division; Carlos Escobedo with the Compliance and Investigations Division; and Patricia Farris with the Motor Carrier Division. With 25 years we have: Richard Goldsmith with the Motor Carrier Division; Kevin Butts with the Information and Technology Services Division; and Cynthia Fagan with the Vehicle Titles and Registration Division in our Longview Regional Service.
A huge thank you to these employees for their dedicated and longstanding service to the State of Texas and those that we have the privilege to serve.

With that, Mr. Chairman, I have one other item that I would like to make sure that I mention to the committee. Our Compliance and Investigations Division lead investigator, Robert Foster, assumed the role as the National Odometer and Title Fraud Enforcement Association president.

It's also referred to as NOTFEA, and it's a nonprofit organization that was created in 1980, and NOTFEA's main purpose is to protect consumers from costly odometer, title and auto fraud related crimes. They meet on an annual basis to discuss trends, share ideas, provide training and discuss odometer and title fraud issues on both the state and federal level.

Robert began working for TxDOT in February 2018 and transitioned to TxDMV when we became a stand-alone agency, and he has served as the CID lead investigator since the division was created in 2018. He has been a member of NOTFEA since 2011 and was elected to the board of directors in 2013.

I just want to congratulate Robert on this exciting leadership role, and I know that he will...
represent our agency well as the president of NOTFEA.

MR. TREVIÑO: Hear, hear. All of the long
tradition of the department's leadership not only in the
State of Texas but in the industry and nationally, so
congratulations, Robert, and I know you'll be fantastic in
your new role.

MS. BREWSTER: Mr. Chairman, that concludes the
executive director's report, and I'm certainly available
to answer any questions that the board members have.

MR. TREVIÑO: Great. So congratulations to all
those people for their years of service. And does anybody
on the board have any comments?

(No response.)

MR. TREVIÑO: Hearing none, I think we'll move
to agenda item number 6.

Mr. Avitia, you're back up. I would now like
to hear agenda item 6 regarding licensing rules. Mr.
Avitia.

MR. AVITIA: That tricky mute button.

MR. TREVIÑO: Gets you every time, doesn't it?

MR. AVITIA: It certainly does. We'll get used
to it at some point.

Chairman, members, Ms. Brewster, again good
morning. For the record, I am Daniel Avitia, director of
the Motor Vehicle Division.
Today we are asking for the board's support to begin the formal rulemaking processes for changes to the criminal history and fitness licensing rules. The rule package is listed on your agenda as number 6, and the details may be found on page 6 of your board books.

This rule package implements the Sunset Advisory Commission's recommendation number 4.6 to implement criminal history evaluation rules for the salvage industry consistent with Occupations Code Chapter 53, as well as three bills that passed in 2019's 86th Legislative Session to include Senate Bill 604, House Bill 1342, Senate Bill 1217.

Additionally, in his October 8, 2019 letter, Governor Abbott requested state agencies to carefully review occupational licensing requirements to ensure rules are not overly burdensome to potential license holders or consumers. I believe this package also implements the governor's directive.

This rule package has three proposals: a new Chapter 211 which applies to both motor vehicle and salvage dealers, and two related fitness rules, the first for 215, Motor Vehicle Distribution, and the second for 221, Vehicle Dealers.

The proposed new Chapter 211 creates a single consistent process for evaluating and making licensure
decisions based on applicants' and license holders' criminal history. This new chapter includes a statutorily required criminal offense guidelines in 211.3.

I'd also like to highlight 211.5, Criminal History Evaluation letters. This provision allows for applicants for new independent motor vehicle licenses the option of requesting a preliminary evaluation of their criminal history before taking the statutorily required training and making the necessary and often substantial investment required to apply for a license.

The criminal history evaluation letter process is defined in Occupations Code 53.101 to .105, and the department may now offer criminal history evaluation based on this statutory requirement for licensing education outlined in Senate Bill 604.

The Motor Vehicle Division believes that this proposal strikes the right balance between the public being able to maintain standards for dealers and license holders while also implementing the legislature's statutory intent to enhance opportunities for convicted persons to obtain gainful employment after completing their sentences.

Again, the Motor Vehicle Division requests your approval to proceed with publication in the Texas Register so that we may begin to receive public comments and move
forward in the formal rulemaking process.

I'd certainly also like to thank each of the divisions that collaborated so extensively on this effort in bringing this rule package together. Members of the Enforcement team, the Office of General Counsel, and the Motor Vehicle Division just did an amazing job bringing this rule package together and the amount of significant work and time that was required invested in this.

That being said, members, this concludes my remarks, and I'm certainly happy to answer any questions you may have. Thank you.

MR. TREVIÑO: Thank you, Mr. Avitia.

Does the board have any questions for Mr. Avitia?

MR. GRAHAM: I have a question, Mr. Chairman.

MR. TREVIÑO: Member Graham.

MR. GRAHAM: Just in regards to -- well, let me back up and say my understanding is this was an attempt to perhaps provide better clarity on offenses and how the department approaches those situations.

And I'm just kind of curious generally and broadly, not line by line obviously -- this is a very large document -- but how is the general approach different as proposed from the approach today? And I know that's sort of a broad statement on a large document, but
I'd just kind of like to understand that concept.

MR. AVITIA: Member Graham, thank you for that question. Your assessment as far as what we're trying to accomplish with this rule package is 100 percent on the mark. It is a pretty significant package, but I can highlight what it's trying to do.

Currently we evaluate salvage license holders one way when we're looking at criminal fitness, and then on the other side of the house, the motor vehicle side, we evaluate criminal fitness an entirely different way. And so the recommendation by the Sunset Commission was that we look at all license holders the same way and not try to evaluate the differences, if you will.

I can highlight very quickly that the proposed rule package applies, again, to both motor vehicle and salvage dealers so that we're looking at them the same. You're right, it publishes the department's criminal offense guidelines as required, it lists the reasons that the department has to be able to make certain determinations.

We go into specifics on the offenses that directly relate to the duties and the responsibilities of a license holder -- and you touched on this -- it lists the factors that the department has to consider when we're reviewing applicants for fitness. So it does a lot of
things, but more importantly, it streamlines how we look at our license holders, as well as provides a more objective overview and how we evaluate criminal history and fitness, sir.

Does that answer your question, Member Graham?

MR. GRAHAM: That helps. In the past were those kinds of convictions automatic disqualifies?

MR. AVITIA: No, sir. We would look at each applicant's offenses, not just the type of offense but pattern of offenses, history of offenses. We'd look at each and every single one collectively and look for different issues with each applicant.

I will say, though, really when you look at the totality of applicants and their submittals, we're looking at about 1 to maybe 1.5 percent of the entire applicant pool that has a criminal history that we have to consider, a very small percentage of individuals.

MR. GRAHAM: Can an applicant be different than a license holder, or is an applicant always inevitably the license holder?

MR. AVITIA: Correct. Yes, sir, the second, the latter.

MR. GRAHAM: Okay. And I was reading through a section that was discussing -- was referencing individuals that -- well, let me not try to explain that and just
really ask the question.

If you're a license holder, it was talking about managers, and it seems like it was referencing other individuals within the organization that could impact how the business is operating. I want to make sure that it's not possible for a license holder to get disqualified because of the action of a key individual in their organization is convicted of something. Just maybe shed some light on that?

MR. AVITIA: Certainly. We've had several instances, especially on the franchise side that I can give you some examples of, where, say for instance, a manager of a dealership is found guilty of certain fraud-related issues.

Inevitably that person is no longer employed by the franchised dealer or the owner of the franchise, so it really becomes a non-issue at that point. And I think your question is more around would I be impacted if one of my managers was convicted of something. Is that where you're headed with that?

MR. GRAHAM: Yeah, absolutely.

MR. AVITIA: No. The answer is no. And from time to time, again, typically because that individual is let go from the organization if they are found guilty of fraud or some other issue within the organization.
What we have seen, though, is the manager of that organization many times will apply for their own either franchise or general distinguishing number or GDN license, and then we have a different type of issue that we've got to deal with then.

But again, we would look at the specific nature of the criminal act and the conviction before making any determination, but it should not have any bearing on your specific license, sir.

MR. GRAHAM: Okay. And one last question. Does it change the approach to -- there was some language that read that the department can consider age when the crime was committed, rehabilitation, overall criminal history, things like that.

Does it just clean that language up or does it change the approach for how the department looks at how long ago a crime occurred? I'm just curious to understand are we approaching it differently or are we just cleaning up the language we use to approach it?

MR. AVITIA: This rule package is doing both. We're cleaning up language where we need to but we're also streamlining our processes, and certainly also in some small fashion loosening up, if you will, how we would look at applicants inevitably going forward, if this rule package is adopted.
Going back to the governor's memo on how we review individuals with a criminal history, people that we formerly may not have licensed may have a better opportunity now, and this very much and specifically outlines how we're going to be looking at that. So there is no question about our methodology.

MR. GRAHAM: Okay. I appreciate that and I appreciate the answers, and you know, I think I would support this. I take very seriously the importance of making sure that reputable, honest people are holding these licenses in Texas, at the same time understanding that people make mistakes and because you made a mistake shouldn't just mean your life can never -- you know, you're destined for this path. So you know, I support that as well, and it's a difficult balancing act, I'm sure, but I appreciate your efforts on this.

Thank you for letting me ask so many questions.

MR. AVITIA: Absolutely, Member Graham. Thank you for your questions.

MR. TREVIÑO: Thank you very much, Member Graham, and I think I speak for the board, everybody agrees with your comments.

All right. Any further comments or questions for Mr. Avitia?

(No response.)
MR. TREVIÑO: Mr. Avitia, this was a Sunset recommendation too, by the way, wasn't it?

MR. AVITIA: Yes, sir, absolutely. We're implementing number 4.6 recommendation from the Sunset recommendations.

MR. TREVIÑO: Good, good.

Okay. Any other questions?

(No response.)

MR. TREVIÑO: Tracey, any comments from the public?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

No comments.

MR. TREVIÑO: No comments. Okay. Hearing none and no more questions, the chair would entertain a motion.

MR. GRAHAM: Mr. Chairman, I'll make the motion.

MR. TREVIÑO: Okay. The chair recognizes Member Graham.

MR. GRAHAM: I move that the board approve agenda item 6, including new Sections 211.1 through 211.5, amendment of Section 215.89, and repeal of Section 215.88, and amendments of Sections 221.15, 221.19, 221.11, 221.12, and repeal of Sections 221.13 and 221.14, for publication in the Texas Register for public comment.
MR. TREVIÑO: Great. We have a motion from Member Graham. Do we have a second?

MR. PREWITT: Second.

MR. BACARISSE: Second.

MS. GILLMAN: Second.

MR. TREVIÑO: Member Prewitt. Was that Member Prewitt the second?

MS. BEAVER: Chairman, Tracey Beaver, for the record.

I believe that Member Bacarisse, Member Prewitt and Ms. Gillman all made seconds.

MR. TREVIÑO: Okay. Great. All right. We'll take Member Prewitt.

MR. PREWITT: Thank you.

MR. TREVIÑO: Okay. Any further discussion?

(No response.)

MR. TREVIÑO: Hearing none, I'd call for the vote.

Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Member McRae?
MS. McRAE: Aye.

MR. TREVIÑO: Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: And Member Washburn is not here, and I, Chairman Treviño, also vote aye, so the motion carries, it's unanimous. And we move on to agenda item number 7.

Tracey, do you want me to go through these and actually ask every member to state their vote, or do we just show of hands?

MS. BEAVER: Due to the nature of this conference call, it would be helpful to go through and actually record the vote, but that's up to your discretion, Chairman.

MR. TREVIÑO: We'll ask everybody to indicate their votes.

We'll move now move to agenda item number 7 and we'll turn it over to Mr. Jeremiah Kuntz.

MR. KUNTZ: Good morning, members. For the record, Jeremiah Kuntz, director of the Vehicle Titles and Registration Division.

Today I'll start off with presenting agenda item number 7, which is a amendments to Chapter 215.150
These amendments are related to legislation that was passed during the last legislative session, House Bill 3760, which allows for the issuance of buyer's tags, temporary tags by a governmental agency. This is in direct response to governmental agencies that are surplusing vehicles from their inventory, so this would be like old vehicles that the governmental agency no longer needs that they're needing to dispose of. This would allow them to place a buyer's temporary tag on those vehicles so that customers can operate those vehicles to get them home.

The proposed amendments are pretty simple in nature in that we are amending the current sections related to buyer's tags and adding to the entities that can issue them state, federal and local governmental agencies so that they can issue those tags.

We are also adding a clarification that golf carts and off-highway vehicles eligible for temporary tags, just while we've got this section open, we're clarifying that in our rules since those vehicles cannot be operated with registration on the highways.

So with that, we are presenting these to the board for consideration for publishing for public comment, so these rules are just up for proposal.

MR. TREVIÑO: Great. Thank you, Mr. Kuntz.
Are there any questions for Mr. Kuntz?
(No response.)

MR. TREVIÑO: No questions.

And, Jeremiah, when you introduced yourself you also failed to mention that you're also Parker's dad, which should be high on your list of things to be proud of.

MR. KUNTZ: I'm very proud, and apparently he's already made Twitter, so a picture of him doing the Pledge of Allegiance is already posted on Twitter, so yes, very proud this morning.

MR. TREVIÑO: Great.

Any questions from the board, by the way?
(No response.)

MR. TREVIÑO: Okay. Tracey, are there any comments from the public?

MS. BEAVER: No comments from the public.

Thank you.

MR. TREVIÑO: Okay. Hearing none, the chair would entertain a motion.

MR. BACARISSE: Mr. Chairman.

MR. TREVIÑO: Yes.

MR. BACARISSE: Vice Chair Bacarisse, for the record. I would like to make a motion that the board approve agenda item 7, including the adoption of proposed
amendments of Sections 215.150 through 215.158 for
publication in the Texas Register for public comment.

MR. TREVIÑO: Great. We have a motion from
Member Bacarisse. Do we have a second?

MS. McRAE: I'll second the motion, Chairman.

MR. TREVIÑO: Member McRae.

Okay. Any further discussion?

(No response.)

MR. TREVIÑO: Hearing none, I would call for
the vote.

Board Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Board Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Board Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Board Member McRae?

MS. McRAE: Aye.

MR. TREVIÑO: Board Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Board Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Member Washburn is not present,
and I, Chairman Treviño, also vote aye, so the vote is
unanimous and this agenda item carries.
So we will now move on to agenda item number 8.

Mr. Kuntz, would you please continue?

MR. KUNTZ: Yes. For the record, Jeremiah Kuntz, director of the Vehicle Titles and Registration Division.

Before you is agenda item number 8, and again, this is the department seeking approval to publish the proposed amendments in the Texas Register for public comment.

These amendments are amendments to 217.74 of the Texas Administrative Code. They relate to some provisions that were in the agency's Sunset legislation, Senate Bill 604, relating to the requirements for each county tax assessor-collector to make webDEALER available to any licensed motor vehicle dealer requesting access.

The amendments are pretty simple in that that's exactly what they do, they replace the permissive nature of the use of webDEALER and make it a requirement that the county tax assessor-collectors make the system available to any licensed dealer that is wanting to submit transactions through the system. I do want to go a little bit into this just to make sure that we get some clarification here.

The webDEALER application is an application that allows a dealer to submit a title application to the
county tax assessor-collector fully electronically. They can scan the secure documents like the title, the 130-U which is the application for title, all of those documents that are required in order to apply for title and registration for a motor vehicle that they've sold fully electronically utilizing that system.

At this point the agency has taken a concerted effort to go out and try and get all of the county tax assessor-collectors to at least name an administrator in that system so that they are prepared and ready come September 1st when this becomes effective in statute.

And so we've been going out giving the county tax assessor-collectors training, sending out notifications. We will also assist the county tax assessor-collectors with any of their needs to train their dealers or provide them any assistance in getting dealers signed up. So we're not going to just turn it over and say you've got to do this and there's no assistance. We will be there every step of the way to assist them in doing this.

I also want to make sure that we clarify that while use of the system is required for county tax assessor-collectors to accept transactions through that system, they are not required to approve a transaction.

In other words, if a dealer submits a
transaction and it is not complete, it's not proper, it's not been filled out correctly, if there's any reason that that transaction would have been declined over the counter, the county tax assessor-collector has their full discretion, as they do today, to decline a title application that has not been properly applied for, just as they do when that transaction is processed in person in their office.

I really wanted to bring that distinction to the board so that there wasn't a feeling that just because you're using the system that that means the transactions have to be approved. They still have discretion to make sure that the transactions are proper in the way that they are being proposed.

With that, that concludes my presentation, and I'll answer any questions.

MR. TREVIÑO: Great. Thank you, Mr. Kuntz. Does anyone have any questions for Mr. Kuntz?

(No response.)

MR. TREVIÑO: Okay. Mr. Kuntz, how many tax assessor-collectors do not offer webDEALER in their area? Is there a lot?

MR. KUNTZ: Well, it's kind of an interesting question. We have approximately, I believe it's 115 that actively use it on a regular basis. We have significant
numbers then that have an administrator named. In other words, they have access to the system but maybe they're not processing transactions. And there's a push and pull here in that --

MR. TREVIÑO: A lot or a little?

MR. KUNTZ: A lot. I would say approximately half of them are using it on a regular basis.

MR. TREVIÑO: Great. Thank you very much.

MR. BACARISSE: Mr. Chairman.

MR. TREVIÑO: I'm sorry. Did somebody say something?

Any comments from the public?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

There's no comments from the public, and it appears that Member Bacarisse has asked for the floor as well.

MR. TREVIÑO: I'm sorry. Member Bacarisse, I apologize.

MR. BACARISSE: That's all right.

I think I'd like to hear from our colleague on the board the tax assessor-collector's position. I think she may have some insight. Of course, we'll hear from them during the comment period as this rule gets posted, but I'm just curious, Tammy, your thoughts.
MS. McRAE: Well, I am highly in favor of webDEALER. I use webDEALER. It proved especially beneficial during COVID. I hope to see some extended changes in webDEALER where we perhaps at some point in the future can also approve them through webDEALER instead of going through RTS.

But at this point just having the ability to process webDEALER has been beneficial. I'm in favor of it, I use it extensively. I have over 100 dealers on webDEALER, so it is a good thing, a good process. And as Jeremiah pointed out, you have the full authority to review the document, reject the document back to the dealer if necessary, or approve them.

MR. BACARISSE: Thank you.

I feel, as a former county elected official who oftentimes had the state, through the rulemaking authority the state has, imposing additional burdens on local elected officials. I'm just sensitive to that issue, and I'm glad to hear Jeremiah say that they plan to have a very robust support for any tax assessor that needs it as they roll out these changes. I think that's important, too, that we approach our county partners in a true sort of partnership fashion.

So, Tammy, I know you'll help us make sure we do that. I'm just sensitive to that issue, any time the
state begins promulgating rules that would put an additional burden on local government.

Thank you.

MS. McRAE: Right. And one other thing I would like to add that our regional service centers have done for us as an added support is that as we bring dealers on to webDEALER, they help in the training if necessary.

We go out and we help train our dealers as well, or we invite our dealers in, but our regional service centers they help in that area as well, so we do have that added layer of support there.

MR. TREVIÑO: Great.

MS. GILLMAN: Mr. Chairman?

MR. TREVIÑO: Member Gillman.

MS. GILLMAN: I would just add from the dealer's perspective webDEALER is a fantastic tool, and we are really thankful and appreciative for the tool, and so I think webDEALER for all is a really great way forward and should be adopted 100 percent. I like it. It makes our relationship and ease of doing business with the tax collectors just that much better. We appreciate it.

MR. TREVIÑO: I think the chair recognizes there are very few things that are as good as apple pie and webDEALER, clearly.

(General laughter.)
MR. SCOTT: Mr. Chairman?

MR. TREVIÑO: Yes.

MR. SCOTT: I second what everyone is saying. We use webDEALER all the time, we use it for all of our transactions. It's been very helpful during COVID, so it's a great tool. Just keep pushing it out and get everybody the training, and thank you to everybody. You know, everything when you first start something there's always going to be some hiccups, but the agency has put the resources behind it to make it work, so I appreciate it.

MR. TREVIÑO: Great.

And, Mr. Kuntz, this is also we're implementing statute, aren't we?

MR. KUNTZ: Yes, sir. This was a requirement that was in our Sunset bill, so this was a statute that was passed. We are needing to make sure that our rules align with the statute, and so that's what these changes are intended to do is align our rules with what was passed during the last legislative session.

MR. TREVIÑO: Good. Well, it's great to hear that everybody thinks so highly of webDEALER, and let's see if we can get the whole state on board as soon as possible.

Okay. So no public commenters, so at that
point if there's no further comment, the chair would entertain a motion.

MS. McRAE: I'd like to make a motion, Chairman.

MR. TREVIÑO: The chair recognizes Member McRae.

MS. McRAE: I move that the board approve agenda item number 8, including the proposed amendments of Section 217.74 for publication in the Texas Register for public comment.

MR. TREVIÑO: We have a motion from Member McRae. Do we have a second?

MS. GILLMAN: I'd like to second, Chairman.

MR. TREVIÑO: We have a second by Member Gillman.

Any further discussion?

(No response.)

MR. TREVIÑO: Hearing none, I'd call for the vote.

Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Member Graham?

MR. GRAHAM: Aye.
MR. TREVIÑO: Member McRae?

MS. McRAE: Aye.

MR. TREVIÑO: Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Okay. And Member Washburn is not present, and I, Chairman Treviño, also vote aye, so the motion carries unanimously. Thank you.

Okay. So we'll now move to agenda item number 9.

Mr. Kuntz, please continue.

MR. KUNTZ: Thank you, Chairman. Jeremiah Kuntz, director of the Vehicle Titles and Registration Division.

Before you is agenda item number 9, and this agenda item is for approval of final adoption of amendments to 217.11. These rules were posted for public comment on April 17th of 2020, the comment period closed on May 18th of 2020. We did receive a few comments. There were no changes to the rule text that were made in response to the comments.

This rule is related to extending the time period by which a dealer has to apply for a transaction to be rescinded due to a sale falling through, and the
example we have is a purchaser purchases a motor vehicle, they get buyer's remorse, decide that they don't want the vehicle anymore and return it to the dealership.

Previously there was a time period of 21 days by which a dealer could apply to the department to have the transaction rescinded. That is being extended to 90 days. That was the only change, it was a very simple rule change, just changing the number 21 to 90.

One of the public comments we received related to other provisions within the rule that we were not opening up or considering, and so therefore, we made no other changes. And then there was a comment that was in support of the proposed changes to move it from 21 days to 90 days.

So with that, we believe that this proposed existing rule that has support from the industry that it would directly affect, the auto dealers, and we would ask for your consideration of final adoption.

MR. TREVIÑO: Great. Member Gillman would like to comment.

MS. GILLMAN: I have a question. So sometimes the example that you gave is exactly correct, sometimes there is buyer's remorse --

MR. TREVIÑO: Could other board members mute their lines while someone is speaking? Thanks.
Go ahead. Sorry about that.

MS. GILLMAN: Okay. Let's see, sometimes exactly the way you said it there is buyer's remorse and we have already titled one vehicle and we need to back that out and title another instead, and sometimes -- and honestly more often, sometimes a customer will purchase a vehicle on a Saturday and on Monday come back and switch to the same type vehicle but a different color. Okay?

But all the original paperwork is the first vehicle that they took on Saturday. So it is just merely we accidentally titled the first vehicle because the accounting office and all of the paperwork listed the first vehicle, and sadly, just human error, they didn't switch the VIN number in proper titling. And I think it would be a good idea to mention that sometimes it's just new vehicle to new vehicle switching. Should there be language in here related to that?

But I will say, Jeremiah, the time frame of going from 21 to 90 days is really, really helpful because, just to let everyone know, in the past we, dealers had to actually sue the department in order to make this change. So this time frame really helps us to correct errors that are mutually agreed upon between customers and the dealer and the lien holder.

But I was wondering, Jeremiah, do you think
there should be language relating to the new car switch?

MR. KUNTZ: So I'll do my best to try and
handle those scenarios. Most of these provisions relating
to whether or not a transaction can be rescinded,
canceled, or revoked is handled in 501.051 of the Texas
Transportation Code, and the time provision that we have
put in is really basically clarifying the period that an
application is open to be rescinded.

When you look at 501.051(b) the department may
rescind, cancel or revoke an application for title if a
notarized or a county-stamped affidavit containing a
statement that the vehicle involved was a new motor
vehicle for sale, a statement that the dealer, the
applicant and lien holder have canceled the sale, a
statement that this vehicle was never in possession of the
title applicant or was in possession of the title
applicant, and it has the signature of the dealer, the
applicant and the lien holder. So there's four things
that have to be done in order to rescind, cancel or revoke
an application for title.

What we're really doing here by setting a time
frame is really kind of clarifying when that application
is essentially lodged. The reason I'm saying that is it
says the department may rescind an application, it doesn't
say the department can rescind a title, and so what we
have to do is really clarify that the application is still a live application for a set number of days where it could be rescinded, and therefore, undo the deal in the title and registration system.

So there's a couple of conditions and a couple of things that have to be met and we do require that that signature be on there about whether or not the vehicle was in the possession of the person or not, and the reason I say that is (c) handles the remainder of this.

It says a rescission, cancellation or revocation containing the statement authorized under (b)(3)(B) does not negate the fact that the vehicle has been subject of a previous first retail sale. So the statute is kind of handling this in saying that if the if the customer took the vehicle off the lot and operated it, it's not negating the fact that the vehicle was subject to a first sale, and that really affects the provisions of whether or not that is still a new vehicle or whether it's a used vehicle that should be sold on a title.

The situation that you presented, if the dealership has submitted the incorrect paperwork to the county tax assessor-collector and realizes it after the fact, that transaction can be rescinded, you would just need all of those provisions to be met there. In other words, you'd have to have an affidavit saying that the
deal was unwound, the buyer, seller and lien holder have all agreed that the sale has been canceled, all of those things.

The issue is going to be the fees and whether or not fees have to be paid, because those fees are not refunded when a transaction is rescinded. And so there's some things that could be cleaned up in statute in order to try and assist with those.

What you're referring to is what a lot of folks refer to as switched evidence. Unfortunately, if the 130-U, the title and everything matches, then that's a properly applied for title.

If the 130 has a different VIN than the MCO that's submitted, that's what we refer to as switched evidence which can be just corrected by correcting the VIN and getting the proper either 130-U or title submitted, an that does not require a rescission.

Am I kind of clarifying that? Because there are two different processes where there's a corrected title versus a rescission.

MS. GILLMAN: I hope so, Jeremiah. I think so, I hope so.

MR. KUNTZ: And if there's further clarification that we need to make, we can definitely sit down and kind of talk through those scenarios and provide
some additional clarification on how those different scenarios would work.

MS. GILLMAN: Thank you. I appreciate it. The department always works with us to correct errors that are no bad intent ever intended. Just the extension of days alone is a really great thing, and if we need to clean up some more, we'll do it later.

Thank you.

MR. TREVIÑO: Great. Just to recap real quick, we're not changing our rules, we're just extending the time period in which you can file.

MR. KUNTZ: Yes, sir.

MR. TREVIÑO: Great, great.

MS. GILLMAN: With that said, Mr. Chairman, I'd like to make a motion.

MR. TREVIÑO: Well, in a moment. I appreciate your enthusiasm, but I've still got to ask a couple of questions here.

Any other questions? Tracey, any comments online?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

No public comments. Thank you.

MR. TREVIÑO: Great. So now the chair would entertain a motion.
MS. GILLMAN: Mr. Chairman, I'd love to make a motion.

MR. TREVIÑO: The chair recognizes Member Gillman.

MS. GILLMAN: For agenda item number 9, I move that the board approve agenda item number 9, including adoption of amendments to Section 217.11, as recommended by staff.

MR. TREVIÑO: Great. We have a motion by Member Gillman. Do we have a second?

MR. BACARISSE: Second.

MR. TREVIÑO: I'm sorry. Member Graham?

MR. PREWITT: Member Prewitt.

MR. TREVIÑO: Oh, Member Prewitt. Sorry about that.

Board Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Board Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Board Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Board Member McRae?

MS. McRAE: Aye.

MR. TREVIÑO: Board Member Prewitt?

MR. PREWITT: Aye.
MR. TREVIÑO: Board Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: And Board Member Washburn is absent, and I, Chairman Treviño, also vote aye, so this motion carries unanimously, let the record show.

Okay. We'll now move to agenda item number 10, digital license plates.

Jeremiah Kuntz, again, please continue.

MR. KUNTZ: Thank you, Chairman. For the record, Jeremiah Kuntz, director of the Vehicle Titles and Registration Division.

Before you is agenda item number 10. This is, again, we are seeking approval for final adoption of amendments to 217.22, 217.27, 217.32, 217.38, 217.41, 217.55, and new 217.58 through 217.64.

All of the amendments and new sections in the Administrative Code relate to rules to promulgate provisions from, again, the 86th Legislative Session, Senate Bill 604, which was the agency's Sunset bill which amended the Transportation Code to allow the department to enter into agreements for the provisions related to digital license plates.

We've worked quite a bit, and I would like to thank our General Counsel's Office, Finance and Administrative Services Division, my staff, IT, and all of
the other folks that have been working on getting these rules together.

We have been operating on a very quick timeline to get the rule package put together, as well as at the same time concurrently trying to put together a request for proposals, as well as the requirements for IT changes that will be necessary in order to implement this legislation.

It has been quite an effort and an undertaking. I know that all of the staff have been working on this tirelessly. Week after week they've been having many days of the week many hours of those days working on getting all of these things put together all at the same time which has been no small feat.

What we have done is tried to create something that no other state has done yet. There are states that digital license plates are operating in today as a pilot, but to the best of our knowledge, they do not have rules promulgated around digital license plates, and some of them have contracts but they are somewhat limited in scope in what was included in those contracts.

At the same time, we know that the American Association of Motor Vehicle Administrators, AAMVA -- which is the association we belong to -- is looking at adopting standards around new digital license plates as
well, and so we have been working with them to try and see a preview of what their standards were going to look like to make sure that we were promulgating rules that were going to be in alignment with this new technology.

As you can imagine, there is quite a bit of focus around testing around the standards for this technology and there really isn't a whole lot for us to try and pull from as guidance, and so we have really been blazing some new ground on this as we develop those requirements and develop our request for proposals and our rules.

And so what you see here is a rule package that we've put together where we've gone out and we've tried to gather that information to the best of our ability and to try and create standards and testing that would be required for us to make sure that the public is protected, that their data is protected, and that these license plates provide law enforcement with the necessary information that they need as these vehicles are operating with them on Texas highways.

We did receive comments, and I will tell you that the commenters were the Collin County Sheriff's Department, the North Texas Tollway Authority, the Central Texas Regional Mobility Authority which is also a tolling entity, the Texas Association of County Tax Assessor-
Collectors, the Lubbock County Tax Assessor-Collector, HCTRA which is the Harris County Toll Road Authority, 3M, as well as the Denton County Tax Assessor-Collector.

Many of the comments that we received really focused in around what testing would be required. As you can see, we heard from quite a few of the tolling entities in Texas, at least the largest three tolling entities in Texas, and all of them, as well as the Collin County Sheriff's Department were very interested and I guess voiced concerns that the department would ensure that these digital license plates had gone through a good testing program to ensure that they could be read by the toll road cameras, by license plate readers that law enforcement utilize, and making sure that they would fit within the profile of what they're looking for on the roadside.

Additionally, the toll road authorities were concerned -- and I'll clarify this a little bit -- with some of the provisions related to the collection of tolls. The statute allows for these digital license plates to be utilized in the same manner as a toll tag and to be read by an RFID chip reader. And so we know that there is technology out there that exists within the license plate; however, the toll road authorities were concerned about not just the interoperability but the interchange of funds.
and how that would work on the back end.

And what we've responded, we've not made any changes because our rules allowed for tolling entities to allow for these to be used for toll collection but it would require an agreement with those tolling entities before the digital license plate could be used in that fashion.

So we've really put it back in the hands of the toll road authorities if they would like for these digital license plates to be used in that way that they could enter into agreements with a vendor that provides digital license plates to allow for that interchange in the collection of the toll road fees.

As to testing, we are requiring that the plate provider provide testing for reflectivity, readability and legibility and to perform penetration testing, and so we've got provisions in our rules that require that testing to be conducted.

Obviously there's a heightened interest in making sure that these license plates can pass those tests and we will make sure that we are staying engaged through all of that and making sure that we get a product from these vendors that is going to be suitable for the traveling public on the roadways and for law enforcement and toll roads to be able to utilize the data that it
provides.

With that, I know that y'all have received the rules and have seen some of the other comments. I wasn't going to go into great detail unless the board has any questions around any of the changes or comments that we received, but wanted to kind of point out the big ones that I think are out there.

MR. TREVIÑO: Thank you, Mr. Kuntz.
Does the board have any questions for Mr. Kuntz?

MS. GILLMAN: I have a question.

MR. TREVIÑO: Member Gillman.

MS. GILLMAN: I think it's interesting. So the vendor that the toll authority uses now, are you saying it's back on them to change vendors if the new digital license plates don't work with their current vendor?

MR. KUNTZ: Let me try and clarify that a little bit, and I've got a little bit of history with toll roads. I used to work at TxDOT and actually worked on some toll road policy.

The way that the system in Texas works is there are three toll tags in the State of Texas. The North Texas Toll Road Authority issues a toll tag, TxDOT has a toll tag, and the Harris County Toll Road Authority has a toll tag.
Those are the only three toll tags that are utilized in the State of Texas. All three of those toll tags are interoperable with each other, and so if you think of a toll tag like a credit card, it's the difference between MasterCard, Visa and American Express.

Just like with a credit card, you can go to a retail establishment and you can swipe any one of those credit cards on a credit card reader and that credit card processor, the reader itself, works with the credit cards to parse out the money, to take it from the customer and give it to the retailer, and so there's an interchange that occurs in the back-end.

The same thing occurs with toll tags, so if I take a toll tag from Harris County and I drive on a toll road in Dallas, the Dallas Toll Road Authority will read that toll tag and they will actually bill the Harris County (loss of audio).

MR. TREVIÑO: Jeremiah, we lost you, we lost you on the Harris County Toll Road.

MS. GILLMAN: The Dallas authority was going to bill the Harris County authority.

MR. TREVIÑO: Well, I guess Mr. Kuntz didn't pay his bill and has been taken off of the toll road.

(General laughter.)

MR. TREVIÑO: We'll wait a second to see if we
can get his line back on here to address this issue around interoperability.

Tracy, are you checking with IT on this one?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Yes, I'm checking in with Jeremiah and ITSD so that they can reach out as well.

MR. GRAHAM: Mr. Chairman, I have a question. Obviously, it's kind of challenging with everyone being spread out, but has leadership discussed a date at which they might start returning to headquarters?

I see Tracey is in her office; the others I don't think so, but is there a timeline being discussed when that will start to be considered?

MR. TREVIÑO: Tracey, can you address that?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Yes, that was on the agenda earlier under the director's report, so I can make a comment on that. Whitney had discussed a little bit about the regional service centers reopening, and at this point in time the TxDMV headquarters is still primarily telecommuting, and we do have staff on site to do those essential functions, but I would turn it to Whitney to elaborate on that.

MR. TREVIÑO: Sorry about that. I didn't know
you were on. I apologize. Thank you.

MS. BREWSTER: No worries, whatsoever. Whitney Brewster, executive director, for the record.

To answer Member Graham's question as to whether or not a date has been discussed as to when headquarters agency staff would be returning, we are working very closely with the Office of the Governor on potential dates. We have not yet determined what the appropriate date is at this point, but we are working very closely with state leadership to make sure that we are in alignment with their expectations.

MR. GRAHAM: Thank you.

MR. TREVIÑO: Mr. Kuntz, are you back?

MR. KUNTZ: I am. Sorry I lost y'all there.

MR. TREVIÑO: You were on the Harris County Toll Road the last time we talked to you.

MR. KUNTZ: Yep. So hopefully y'all got some of the information that basically there's an interchange that occurs with those fees, and what the toll roads have raised concerns about is that these digital license plates would basically be like a fourth toll tag in the State of Texas and that there would have to be interoperability and an interchange set up with them in order for it to operate the same way that the other three toll tags work, and so that's the concern that has been raised.
They would not have to change their vendors in any way, but what it would do is it would require the digital license plate to enter into agreements with those other toll road entities to make sure that their license plates RFID chip can read and then have an interchange on the back-end set up for the transfer of funds between the different accounts.

MR. TREVIÑO: Great.

Member Gillman?

MS. GILLMAN: Thank you, Jeremiah, thank you.

MR. TREVIÑO: Anyone else have any other questions for Jeremiah? Member McRae.

MS. McRAE: Jeremiah, I just want to clarify, it looks like the way that they're proposed right now that the county tax assessors will not play a role at all in the issuance of the digital plates. Is that correct?

MR. KUNTZ: So yeah. The way the process is set up is that a person would come in and get normal title and registration just like they would, so you'd have to have active registration on your vehicle, and then the customer would go to the digital plate provider and order a digital license plate.

And I'll use, for example, let's say my current license plate is ABC 123, I would take that and I would contact the digital license plate provider and say, hey,
here's all my information, here's my VIN number, here's my license plate number. The vendor would send them a digital license plate in the mail, and then they would activate it and their activation would display the registration that's already been issued by the county tax assessor-collector.

The counties would not have to do any fulfillment for the license plate, the vendor is going to directly mail those license plates to them. You would do your normal process just like you would; you'd issue them the standard registration, and the customer is going to get that registration displayed on their plate.

The only difference would be that when that customer comes in to renew their registration, the $95 administrative fee will be tacked on on top of their normal registration, and so you would be collecting it just like you would all the rest of the fees. So they'd pay normal registration, all the local fees plus the $95, and they would pay it to you just like you would do normal registration renewal.

MS. McRAE: Okay. And I'm assuming we'd be going out for RFP for the vendor?

MR. KUNTZ: Yes. As I mentioned, we've been working on both the rules, the RFP, as well as the requirements for the RTS system for us to build that
interface to talk to the vendor's system.

MS. McRAE: Okay.

MR. KUNTZ: So we plan on issuing the RFP very shortly after the rules are finalized, and that way we can get it out on the street, and really we're trying to compress this schedule to get the RFP out on the street as soon as possible.

MS. McRAE: Okay. And just to go back and kind of going back to what Member Bacarisse said earlier, since the counties will be collecting that additional fee, will there be any additional commission back to the county for that role?

MS. McRAE: It would be the standard processing and handling fee that you would receive on a registration renewal. It's just like if somebody had a special license plate and you were doing a renewal for that special license plate. It's just one transaction, it's just a different amount for the transaction.

MS. McRAE: Okay. Thank you.

MR. KUNTZ: Yes, ma'am.

MR. TREVIÑO: Good questions. Anybody else have any questions for Mr. Kuntz?

(No response.)

MR. TREVIÑO: Mr. Kuntz, these are only for commercial vehicles right now. Is that correct?
MR. KUNTZ: So the statute is a little bit odd on this. There are vehicles beyond commercial vehicles that can have them: governmental vehicles can have them even if they're a passenger vehicle. Really the ban, if you call it, the exception, is that a passenger vehicle is not eligible to receive these. There's not a restriction on trucks, trucks can have these, commercial vehicles can have them, as well as any class of vehicle that is owned by a governmental entity.

MR. TREVIÑO: Okay. Good.

Any other questions?

MS. GILLMAN: When is the testing going to begin?

MR. KUNTZ: So that would be part of the RFP process. So there's requirements for testing that would be included in the request for proposals, and so the vendors would have to demonstrate that their license plate is able to pass those tests as part of that request for proposals process, part of that contracting process.

MS. GILLMAN: This year or next year?

MR. KUNTZ: We anticipate the RFP will be done this year, this calendar year, and so that testing would be aligned with the RFP.

MR. TREVIÑO: So hopefully this year.

MR. KUNTZ: Yes.
MR. TREVIÑO: Great. Okay. Any other questions?

(No response.)

MR. TREVIÑO: Good.

Tracey, do we have any comments?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Chairman, we do have Major Palmer with the Texas Department of Public Safety who has joined the meeting and would like to provide comment today.

MR. TREVIÑO: Great. Can we get Major Palmer up?

Major Palmer, welcome. Glad to have you addressing this body.

MAJ. PALMER: Yes, sir. Major David Palmer with the Texas Department of Public Safety.

I just wanted to add that we did work very closely with DMV staff on these rules. We were provided ample opportunity to submit suggestions and work with the team there at DMV, and just wanted to say that we appreciated that effort.

We had many good meetings, a lot of positive dialogue with staff, some adjustments -- actually, many adjustments were made throughout the process to help allay many of the concerns that law enforcement in general would
have, in addition to the things that Jeremiah brought up previously during this discussion.

You know, the readability of license plate readers and things like that were very important to us because they're just exceptionally strong tools that we use to try to help protect the public.

So I just wanted to say thank you for that and thank you for being willing to make those adjustments that needed to be made moving forward with such a new technology.

And that's all I have unless anybody has any questions.

MR. TREVIÑO: Great.

Member Bacarisse.

MR. BACARISSE: I've got a question for Major Palmer. And first of all, I want to say thank you to all of you out there that are doing a great job for the people of Texas and ensuring our safety.

The question is when you make a traffic stop with a digital plate, are you going to be able to run the data that you need to run so that you know whose the registration is and everything, all the data that you need when you're on the roadside and you've made a traffic stop? Is that going to be able to be transmitted quickly to you with a vehicle with a digital plate?
MAJ. PALMER: Yes, sir, we believe so. Those were things that we discussed. You've got the regular piece that the registration will be available just like any other license plate through the electronic system, through TLETS and the Motor Vehicle Division system.

However, also in there there's some additional things that DMV is going to do to ensure that when an officer stops a vehicle with a digital license plate that they can actually verify that that physical digital plate is the one that belongs with the vehicle that's been assigned. So there are some various security pieces that were put in place to help that roadside officer make sure that what they're seeing belongs where it belongs.

MR. BACARISSE: Great. Thank you.

MAJ. PALMER: Yes, sir.

MR. TREVIÑO: Any other questions for Major Palmer?

MR. KUNTZ: And Chairman?

MR. TREVIÑO: Yes, Jeremiah.

MR. KUNTZ: Jeremiah Kuntz, for the record.

As well, Member Bacarisse, one of the requirements is that the vehicle also have a physical license plate if it was equipped with two license plates, so for those vehicles that are supposed to have two license plates, we will still have a metal license plate.
on the front of the vehicle as well, so that should assist
law enforcement.

   MR. TREVIÑO:  Great. Okay. Any other
questions for Major Palmer?

   (No response.)

   MR. TREVIÑO:  Hearing none, Major Palmer, thank
you very much for coming and being with us today, and
thank you for your service to the citizens of Texas.

   MAJ. PALMER:  Thank you, sir. My pleasure.

   MR. TREVIÑO:  Great.

   Any other comments, Tracey?

   MS. BEAVER:  Tracey Beaver, general counsel, for the record.

   We did receive one phone call of an individual
who wanted to comment that they oppose the rule. They
were given instructions on how to participate to provide
their verbal comments, so I just wanted to give an
opportunity if that person was able to join today if
they'd please raise their hand using the instructions
given so that person could be recognized.

   MR. TREVIÑO:  Great. So is IT reviewing that?

   MS. BEAVER:  Yes. I would ask if the meeting
host could please review to see if anybody has raised
their hand, and if so, to please unmute them.

   (Pause.)
MS. BEAVER: And chairman, Tracey Beaver, for the record.

I don't see anybody raising their hand. The call-in user did indicate that they would not likely be able to participate, but I did want to give a reasonable opportunity for them to do so. And we have no other comments for this agenda item.

Thank you.

MR. TREVIÑO: Okay. Sorry they weren't able to participate.

So any other comments or questions from the board, public, anyone else?

(No response.)

MR. TREVIÑO: Okay. Hearing none, the chair would entertain a motion.

MR. BACARISSE: Mr. Chairman?

MR. TREVIÑO: Member Bacarisse.

MR. BACARISSE: I would like to make a motion to move that the board approve agenda item 10, including adoption of amendments to Sections 217.22, 217.27, 217.32, 217.38, 217.41, and 217.55, and new Sections 217.58 through 217.64, as recommended by staff. And I do want to echo what Jeremiah said about the tremendous amount of work that's been done here. So that is my motion. Thank you.
MR. TREVIÑO: Thank you for the comments and the motion, Member Bacarisse.

Do we have a second?

MS. McRAE: I second.

MR. TREVIÑO: Second by Member McRae.

Member Bacarisse, how do you vote?

MR. BACARISSE: Aye.

MR. TREVIÑO: Board Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Board Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Board Member McRae?

MS. McRAE: Aye.

MR. TREVIÑO: Board Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Board Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Member Washburn is not with us today, and I, Chairman Treviño, also vote aye, so the motion carries unanimously. Thank you very much.

Thank you, Mr. Kuntz.

So I think now, if everybody is in agreement, we'll take a little break, about five minutes, and be back shortly. I'd suggest you stop your video and also mute yourself as well.
(Whereupon, at 10:03 a.m., a brief recess was taken.)

MR. TREVIÑO: Okay. So we are back and live. Thank you, everybody, for being prompt and adhering to the five minutes.

We will now move to agenda item number 11, briefing and action items.

Mr. Kuntz on agenda item 11.A through 11.G regarding specialty plate designs.

Mr. Kuntz.

MR. KUNTZ: Thank you, Chairman. Again for the record, Jeremiah Kuntz, director of the Vehicle Titles and Registration Division.

Before you for your consideration are seven license plates. We have five plates that are from our marketing vendor My Plates, and two plate designs are from two nonprofit organizations.

As you can see in your board materials, since we don't have our board that we would normally have with the actual license plates, we've tried to include pictures of the different license plates in your board materials. Hopefully you can see those in your board book. They start on page 29.

The first redesign is the Georgia Tech license plate, the second is the Texas Tech license plate, the
third is the Texas State University license plate, and the
fourth is the SMU license plate.

As you can see, in all of these license plates
we have had a very large trend on these redesigns, and you
can see that they are going to a black background. I can
tell you based on our sales of specialty license plates,
the all-black background is our top selling license plate,
and so what you see is a lot of these organizations that
have license plates are migrating to that very similar
design with the all black license plates, the black
backgrounds, or a dark background as you see with SMU.

We also then have a couple of new license
plates. The Lone Star carbon fiber license plate. The
carbon fiber plate is a very popular one as well, and so
My Plates has added the Lone Star, which has got the image
of the star on the left-hand side, in all carbon. So we
currently have an all black Lone Star, this is adding the
carbon fiber background with the Lone Star.

The two new license plates that are by
sponsored organizations are the Texas Honey Bee license
plate which has images of a flower with some honey bees on
it, and PGA Reach is the other license plate as well.

With that, I will answer any questions.

MR. TREVIÑO: Does anyone have any questions
for Mr. Kuntz?
MR. TREVIÑO: Hearing none, Tracey, are there any comments from the public?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

No comments from the public on this agenda item.

MR. TREVIÑO: Great. So hearing none, the chair would entertain a motion.

MS. GILLMAN: Mr. Chairman, I'd like to make a motion.

MR. TREVIÑO: Member Gillman.

MS. GILLMAN: I especially love 7,700 people loved the honey bees? Isn't that cool?

MR. TREVIÑO: Who doesn't love honey bees really?

MS. GILLMAN: And the State of Texas has a little honeycomb on it. That's cute.

With that, I move that the board approve agenda items 11.A through 11.G, and accept all seven plate designs as presented by staff.

MR. TREVIÑO: We have a motion from Member Gillman, pointing out not only that but just acknowledging just how much everybody loves honey bees.

Do we have a second?
MR. PREWITT: Second.

MR. TREVIÑO: From Member Prewitt? Is that Member Prewitt?

MR. PREWITT: Yes, it is.

MR. TREVIÑO: Okay. Any further discussion?

(No response.)

MR. TREVIÑO: Hearing none, I'll call for the vote.

Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Member McRae? Member McRae?

Tammy, are you on mute. You there, Member McRae? Member McRae, we see you now. Can you unmute? Would you like to vote on this or would you like to abstain? I still can't hear you.

MS. McRAE: You're cutting out.

MR. TREVIÑO: I'm sorry. Would you like to vote on the license plates, specialty license plates? Thumbs up if you do, or thumbs down if you would prefer. Speciality license plates. Tammy, are you there? I can see you now. I think that is an aye.
Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Great. Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Okay. Member Washburn is not present, and I, Chairman Treviño, also vote aye, so the motion carries unanimously.

All right. We will now move to agenda item 12.A, Advisory committee appointments. We're going to take up the appointment of members to the Consumer Protection Advisory Committee, presented by Executive Director Brewster.

MS. BREWSTER: Thank you, Mr. Chairman, members. For the record, Whitney Brewster, executive director. I am addressing item number 12.A. which starts on page 39 of your board books.

I am recommending that the Texas Department of Motor Vehicles Board appoint the individuals from the list of those potential members to the Consumer Protection Advisory Committee. The board is required to appoint members to an advisory committee by selecting them from a list of potential members provided by the executive director. The board is required to look at various factors, including the balance of the advisory committee, to ensure representation of industries or occupations or
indirectly regulated by the board, consumers of services provided by the board, and different geographical regions of the state.

And so I have reviewed approximately 30 applications for the Consumer Protection Advisory Committee. I considered the various eligibility standards, I looked at the applicant's knowledge and interest in the work of the committee, differing viewpoints, as well as the industry or occupation of the applicant.

I also looked at the different geographical regions of the state, as well as whether the applicants were consumers of our services. I also determined that the recommended members will satisfy the requirements of the Transportation Code for rules committee consisting specifically of representatives of motor carriers transporting household goods using small, medium and large equipment, and the public.

A review was also done to ensure that these members are in good standing with the department, meaning that there are no outstanding sanctions by the department or anything of that sort. I'm thinking of anything else.

We have been really fortunate to have balanced representation from tax assessor-collectors, independent and franchised motor vehicle dealers, certainly
manufacturers, a sheriff, and consumer protection agencies on the committee as they meet to deliberate some of the really important topics for the department.

Moving forward, we want to make sure that that balanced representation continues. We have had some recent resignation of four members of the Consumer Protection Advisory Committee, and after review of the composition of the committee in light of those recent departures, I am presenting the board with six names for consideration before you today.

I am recommending that the board appoint one member who is with the Texas Trucking Association, and also the director of operations of Southwest Movers Association, two members from franchised auto dealers, two representatives of household goods movers who use small, medium, and large equipment, as I talked about earlier, and one public member who is the chief operating officer of the Better Business Bureau, which all, I think, will be excellent additions to the CPAC.

And so at this point I would recommend that the board appoint six members provided to you in the board book supplement, and with that, I would be happy to try to answer any questions that the board members have.

MR. TREVIÑO: Great. Whitney, thank you very much.
Do any of the board members have any questions for Ms. Brewster on the appointments to the CPAC?

MR. SCOTT: Mr. Chairman, this is Member Scott. I notice that we don't have any representation by an independent dealer.

MS. BREWSTER: Yes, sir, we do. We have Juan Solis with All Star Motors, who is an independent dealer out of Brownsville.

MR. SCOTT: Okay. How many members on this committee total?

MS. BREWSTER: If the board chooses to move forward with the six that I have presented today, it would bring the group to 14. Currently, with the resignations that we've recently experienced, we have eight, and with some of the topics that are going before the CPAC, we thought it would be very important, especially with recent resignations, to include some additional members here.

This certainly is not the end-all, be-all. If there are other applicants that come in, we'll continue to consider those applications based on the criteria that I mentioned earlier, Member Scott.

MR. SCOTT: Okay.

MS. GILLMAN: Whitney, this is Stacey.

MR. TREVIÑO: Hold on. Member Scott, finish your thought.
MR. SCOTT: How many meetings have you had of this committee?

MS. BREWSTER: There have been to date two and there are two more scheduled in the immediate future.

MR. SCOTT: Okay. So our independent dealer on this committee, Mr. Solis, has he been an active member of the committee? Has he been attending meetings and so forth?

MS. BREWSTER: I believe that is accurate, but I will defer to Tracey Beaver to just confirm his attendance.

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Thank you for the question. I can look at the transcript from the prior meetings to find out who all was in attendance at the prior meetings, but we did have balanced representation at the prior meetings. I do know that the motor vehicle dealer and several of the public members, manufacturers were present, but I can certainly look that up very quickly.

MR. TREVIÑO: Great.

MR. SCOTT: I would appreciate that. Obviously what they're going to be working on is going to affect us all, franchised and independents, everything that the department does, so I'm just trying to make sure or see to
it that independent dealers are represented and that the representative that we have there is being active so the voice of the independents is being heard.

So appreciate it. Thank you.

MR. TREVIÑO: Thank you for your comments, Member Scott.

Member Gillman?

MS. GILLMAN: Thank you, Mr. Chairman.

Whitney, can you send a complete list of the committee as soon as it is decided?

MS. BREWSTER: Yes, ma'am, we'd be happy to do that.

MR. TREVIÑO: Great. And I just would remind the board that these are all volunteers, and when we established the committees we tried to have balanced representation as one of the objectives, so any suggestions or comments the board has, I think we're very interested in that and sensitive to balanced representation on this board.

Okay. Any other questions for Mr. Brewster on this?

MS. BEAVER: Chairman, if I may? Tracey Beaver, general counsel, for the record.

I just wanted to confirm that, yes, the independent dealer representative was present at the CPAC
meeting on April 23, so there was balanced representation at those meetings. He did not attend the other meeting.

MR. TREVIÑO: So Mr. Solis.

MR. SCOTT: Thank you, Tracey.

MR. TREVIÑO: Thank you for answering Member Scott's questions.

Any other questions or comments for Ms. Brewster?

(No response.)

MR. TREVIÑO: Hearing none, any comments from the public, Tracey?

MS. BEAVER: Tracey Beaver, general counsel.

No comments from the public on this agenda item. Thank you.

MR. TREVIÑO: Thank you, Tracey.

In that case, the chair would entertain a motion.

MR. GRAHAM: Mr. Chairman, this is Brett Graham. I'll make a motion. I will move that the board approve agenda item 12.A and the following Consumer Protection Advisory Committee appointments: Dorothy Brooks, Tiffen Eshpeter, James French, Traci McCullah, William Smith, and Richard Cavender.

MR. TREVIÑO: Great. We have a motion from Member Graham. Do we have a second?
MS. GILLMAN: I'll second.

MR. TREVIÑO: Member Gillman, a second by Member Gillman. And I will call for the vote.

Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Member McRae?

MS. McRAE: Aye.

MR. TREVIÑO: Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Member Washburn is not present, and I, Chairman Treviño, also vote aye, so the motion carries unanimously. And thank these citizens for volunteering to serve on this committee.

We will now move on to agenda item 12.B, the CCAC recommendations. First we will hear from Corrie Thompson, the director of Enforcement.

Corrie, are you present?

MS. THOMPSON: I am. Can everyone see and hear me?
MR. TREVIÑO: I can.

MS. THOMPSON: So good morning, everyone.

Corrie Thompson, director of the Enforcement Division. I am presenting item 12.B this morning which relates to the Consumer Protection Advisory Committee recommendations on refunds by motor vehicle dealers and motor carriers transporting household goods.

As Whitney mentioned, the Consumer Protection Advisory Committee met in May, and as well in April, to discuss a number of items. One item that was discussed was refunds for consumers of motor vehicle and household good movers when there are violations, and that's in order to implement the new enforcement authority that was granted to the department as recommended by the Sunset Advisory Commission and it was added to statute this past legislative session.

So the department has been granted the authority under two code provisions, so in Occupations Code 2301.807, that's the new statute that was added per our Sunset bill that allows the department to have new sanction authority for authorizing refunds as they relate to motor vehicle dealers, and then Transportation Code Section 643.257 which authorizes a similar sanction refund authority for the department for motor carriers who transport household goods.
When the advisory committee met to discuss this item, staff posed a number of questions to the committee just to start to drum up discussion because obviously staff is more familiar with some items that the consumer members may not be familiar with but the dealer members and the household goods movers may be more familiar with, so we had some questions just to start with some talking points.

And so some of the things that we discussed were how should refund be defined under this new authority, what's covered, and under what circumstances should the department order a licensee or a registrant, when we're talking about those household goods movers, to provide a refund.

Should the department's authority to order a refund depend on how much time has passed since the transaction or the purchase occurred? And then we also discussed whether refunds should be ordered and we posed several different example scenarios, and whether or not refund authority would be appropriate in those specific situations.

So there's going to be a presentation by the presiding officer of the CPAC committee, so I'm going to hand that over to Mr. Laird Doran, who serves as the presiding officer of the committee, and he's going to
present the recommendations that were moved forward by the committee after these discussions that we had during these meetings. And the recommendations that he's going to be discussing are going to form the basis that the department will take back to develop rules.

So we have the statute in place now because of Sunset and because of the last legislative session that gives the department the authority. We have the authority, now we need rules, so these recommendations from the committee will form the basis of those rules that will be developed, and once developed, they will, of course, come back before the board as an item to be proposed to be published for public comment.

So with that, I'm going to hand it over to Mr. Doran.

MR. TREVIÑO: Corrie, before we move to Mr. Doran, does any of the board have any questions for Ms. Thompson before we move to Mr. Doran?

(No response.)

MR. TREVIÑO: Okay. Hearing none, next we'll hear from the Consumer Protection Advisory Committee's presiding officer, Laird Doran, and first vice chair, Melissa Colvin. Will she also be present?

MR. DORAN: No, Mr. Chairman, she will not be present today, unfortunately.
MR. TREVIÑO: Okay. No problem.

Meeting host, so are we going to get Mr. Doran's video in as well, or just audio?

MR. DORAN: I'm fine with audio, Mr. Chairman.

MR. TREVIÑO: All right. Thank you. Welcome to the board meeting and thank you for volunteering to serve and your time on this committee.

MR. DORAN: Thank you.

Good morning, Mr. Chairman, board members and Ms. Brewster. For the record, my name is Laird Doran. I serve as the presiding officer for the Consumer Protection Advisory Committee, otherwise known as CPAC for short.

Unfortunately, First Vice Chair Melissa Colvin and Second Vice Chair Michael Rigby were unable to participate today, so I will be the sole CPAC officer presenting today; however, the recommendations represent the work of the entire committee.

The CPAC would like to take a moment to thank you, the board, for giving us an opportunity to provide our group advice and recommendations. I would also like to thank DMV staff who worked very patiently with CPAC members throughout this process.

Our committee has met on three occasions, beginning on April 23, 2020, and we would like to present our recommendations regarding refunds by a motor vehicle
dealer and motor carriers transportation household goods.

We are charged by this board with reviewing and making
recommendations to this board on three additional areas:
temporary tags, handling title issues when a dealer goes
out of business, and finally, protecting personal
information contained in the state's motor vehicle
database under what is known as the Driver's Privacy
Protection Act, or DPPA.

The CPAC will provide this board with its
recommendation on these additional three areas at a future
Texas DMV Board meeting. So I'll now turn to CPAC's
recommendations regarding refunds.

The CPAC was first asked to determine how a
refund should be defined. After considerable discussion,
the CPAC recommends to this board that a refund should be
defined as any monies paid or contracted to be paid to a
dealer, including overpayments, fees paid for services not
rendered, and any other payments made for products not
delivered.

The second question posed to the CPAC was:
Under what circumstances should to the Texas DMV order a
licensee or registrant to provide a refund? The CPAC
recommends to this board that the department be allowed to
order a refund as part of the initial notice of department
decision, as well as have the ability to order a refund as
part of a settlement negotiation.

The third question presented to the CPAC is:

Should the department's authority to order a refund depend on how much time has passed since the time of purchase, and if so, how much time needs to pass in order for a complaint to be considered untimely to still order a refund?

The CPAC recommends that the department's authority to order a refund should be limited to no more than four years; in other words, a four-year limitation period.

Next, the CPAC was presented with several different scenarios and asked under each scenario whether CPAC recommends that a refund be ordered. The first:

When a consumer has to purchase a 30-day permit because the dealer has failed to transfer title before the buyer tag expired. That was the first scenario.

The CPAC recommends that the department have the authority to order a refund where a consumer has to purchase one or more 30-day permits because the dealer failed to transfer title before the buyer tag expired.

The next scenario: When a consumer has to make additional payments on a trade-in vehicle to their lender because the dealer was late in making the agreed-upon loan payoff.
In this situation the CPAC recommends that the department have the authority to order a refund where a consumer has to make additional payments on a trade-in vehicle to their original lender because the dealer was late in making or fails to make an agreed-upon payoff of the loan securing the trade-in vehicle.

The next scenario: When a consumer has to pay for a safety inspection that should have been completed by the selling dealer.

The CPAC recommends that the department have the authority to order a refund where a consumer has to pay for a safety inspection that should have been completed by the dealer.

The next scenario: When a consumer has out-of-pocket expenses because the dealer failed to honor the written we owe portion of the contract.

The CPAC recommends that the department have the authority to order a refund when a consumer incurs an out-of-pocket expense because a dealer failed to honor the written we owe portion of the contract.

The next scenario: When a consumer has to obtain a bonded title because a dealer failed to provide title or obtain a bonded title for the consumer.

The CPAC recommends that the department have the authority to order a refund where the consumer incurs
an out-of-pocket expense because the dealer failed to
provide title or obtain a bonded title for that consumer.

The next scenario: When a consumer is
overcharged for TT&L, documentary fee, or other fictitious
fees are charged.

The CPAC recommends that the department have
the authority to order a refund where a consumer was
overcharged for TT&L, documentary fees, or other
fictitious fees.

The next scenario: When a consumer purchases a
third-party extended warranty offered by the dealer and
the dealer does not submit the paperwork or funds, the
consumer then needs repairs and discovers they do not have
the warranty that they believe they paid for.

The CPAC recommends that the department have
the authority to order a refund of the cost of repairs
that would have been covered by the third-party extended
warranty where a consumer purchased a third-party extended
warranty offered by a dealer and the dealer failed to
submit the paperwork or funds for that extended warranty.

The final scenario: When a consumer is charged
for costs not listed on their tariff after the household
goods mover takes possession of the consumer's property
and the mover refuses to unload the consumer's property
until the charges that were not listed on the tariff are
paid by the consumer.

The CPAC recommends that the department have the authority to order a refund where a consumer is charged for costs not listed under a household goods mover's tariff after the household goods mover takes possession of the consumer's property and the mover refuses to unload the customer's property until those charges are paid.

The CPAC further recommends that the department refer unregistered household goods carriers to law enforcement.

This concludes the CPAC's recommendations for refunds by a motor vehicle dealer and motor carriers transporting household goods. We very much appreciate the opportunity to present these recommendations to you today.

Thank you.

MR. TREVIÑO: All right. Thank you, Mr. Doran, for those comments.

Does anybody have any questions for Mr. Doran?

MS. GILLMAN: Yes, Mr. Chairman.

MR. TREVIÑO: Member Gillman.

MS. GILLMAN: So I think I understand the direction and intent of these recommendations. After reading them, when I got my board book, I have to tell you that I have a lot of concerns, and I think basically that
the examples that you have given are way too broad, and starting with your definition of a refund. In my experience, a refund is only due when you pay someone. For example, if you pay me $20 and I do not give you a $20 value or a product of $20 value, if I fail to give you that, then I give you $20 back. That is a refund.

So when I look at -- I'm just going to your example number A, when a consumer has to purchase a 30-day permit, and in your language you say because the dealer failed, I don't understand this language because, number one, the dealer was never paid anything so how can they refund something? That's number one.

Number two is sometimes if a consumer has to purchase an extension on their temporary tag, it's not because the dealer failed. Most recently the tax offices have been closed in Harris County and it's not because the dealer failed them, and so I would like to respectfully ask that the committee, especially with the new appointments that we just approved, go back and modify language to be a little bit more -- to clarify in these instances.

Okay. I'd love to talk about letter B, when a consumer has to make additional payments because the dealer was late in making the agreed loan payoff. Again, I'm talking about the real world here. Consumers very
often -- I mean it happens regularly that a consumer wants
to trade in their vehicle and I'm just going to say a
woman comes in to trade in her vehicle and she didn't know
that her ex-husband is on the title with her, and so all
of a sudden she has to track down the ex-husband in order
to properly trade in her title, so it takes some time for
the consumer to get their affairs in order.

And the trade-in that was intended on this
purchasing of a new car, the dealer, in my opinion, it's
not on them to start making payments on a vehicle that
actually cannot be traded in until you get both signatures
of the woman and her ex-husband.

That's just one example that the dealer was not
at fault, the dealer is not late. And also, it's not a
refund because the dealer has not been paid anything that
he needs to refund.

So it's a second example that I think your
blanket rule is not serving our industry very well, and I
would appreciate it if you could go back. And I think I
understand the intent but I think the language is
troubling.

Okay. Would you like to hear the next one?

MR. DORAN: Board Member Gillman, may I respond
to your questions as you're bringing them up as opposed to
addressing them all at the end?
MS. GILLMAN: I've got one more, Laird.

MR. DORAN: Okay.

MS. GILLMAN: C, when a consumer has to pay for a safety inspection that should have been completed by the dealer. Again, if you paid the dealer for a safety inspection, I completely agree you should get one, there's no question there.

But if the consumer did not pay for a safety inspection, then I don't know that they are entitled to one. It's only if the customer was charged for it should the customer receive it; otherwise, there's no refund that would apply here.

I think that my examples here just in A, B and C is my request that the committee go back and review, revise and maybe rework some of the language and then come back to us. Is that reasonable?

MR. TREVIÑO: Mr. Doran, would you like to respond to the comments?

MR. DORAN: Yes. Thank you, Member Gillman, for your examples and for your questions and your comments. Let me first start off by saying it was my understanding, and I believe the committee's understanding, that we were tasked with making recommendations, not rules, and that these recommendations would help serve the basis for rulemaking but that these
are not rules in and of themselves.

So you have raised a series of excellent examples, and I don't actually believe that there's really much daylight between what you're saying and what we as a committee have proposed here.

Each of the scenarios that you've raised post individually different facts, and it was our understanding as a committee that what we were doing was trying to begin the discussion of outlining the contours of the authority that the legislature had given to the department in order to make rules when a customer has a complaint and the department needs to -- or has the ability, I should say, to exercise their new authority to provide refunds.

So as it relates to, I think you gave an example involving a divorced couple, I would imagine and would anticipate -- and I believe this holds true for the committee -- that Texas DMV staff would take those individual facts into consideration and that there would be plenty of due process afforded the dealer in each of these scenarios so that they could explain the basis for why they don't believe a refund should be issued.

The other comment I would just have in response to your comment or question, you had framed it as saying, I think as it related to the 30-day permit, that the customer failed to obtain from the dealer that the
customer hadn't paid the dealer for that.

I believe it is the thought of the committee that the doc fee that is paid to a dealer, which usually amounts to about $150, those are fees that the consumer is paying to that licensed dealer so that that dealer can accurately and completely process and finalize that registration and that title work and perform those services necessary to legally consummate the sale and purchase of that motor vehicle

Hopefully I answered your questions, but I believe our understanding of it -- and I'll defer to Ms. Thompson -- was that these are recommendations, they are not rules, and the ability to account for individual cases and facts would be taken into consideration by the department.

MR. TREVIÑO: Ms. Thompson, would you like to comment before we get back to Ms. Gillman?

MS. THOMPSON: Yes, Chairman, if I may. Corrie Thompson, director of the Enforcement Division.

Mr. Doran is absolutely correct. The committee is tasked with coming up with recommendations that basically form the parameters within which the department is able to operate, so we have the authority, it's granted in statute, and now we just have to decide what that looks like.
We do not have any rule language drafted at this point. This is the precursor to going back and then formulating what the rules are going to look like. So he spoke correctly when he said this is not the language of the rule that would appear in the Texas Administrative Code; this is just starting the discussion around the authority the department should have and when.

And I would liken it to current authority in the Texas Occupations Code in Chapter 2301, which authorizes the department to impose a civil penalty up to $10,000 for each violation per day that a violation continues.

Does the department exercise that authority in the instance of every single violation? No, it does not. But that authority has been granted to us in statute and we just have to operate within those parameters. But each case is different and investigators and attorneys evaluate the facts of each specific case and determine what's most appropriate, and can change at various points of the investigative or attorney stage of the case process.

So we might allege something initially in a charging document and then the dealer gets back to us and says, hey, you know, this is really what happened, like one of the scenarios that Member Gillman posed.

They provide additional information about why
that trade-in vehicle wasn't paid off, and then that does not mean that any refund that was ordered in the initial charging document ultimately sticks.

Every single day we have dealers contacting the department giving us mitigating factors or giving us the other side of the story about what really happened, and we use those additional details to remove sanctions that were within those documents or to lessen the sanctions, so I do want to make everybody aware of that.

MR. TREVIÑO: Great.

Member Gillman, would you like to add some more comments?

MS. GILLMAN: I just wanted to say is it reasonable to request a revision and review of some of the language, and with just a little bit of time that I've had to look at this before the board meeting, I'm very happy to offer language. I always hate to present just the problem, I like to offer a solution, but I don't have the language worked out just yet in my head, but I'm happy to provide some suggested solutions if you'd like.

And also, I do want to say that I know -- and this is to Laird and the other committee members -- I know this is a voluntary position, and I do appreciate you being there, and so I just don't want you to take my comments as being too controversial. So I am able to
offer solutions and I do thank you for your service.

MR. TREVIÑO: Great. Thank you, Member Gillman.

Member Bacarisse I think has a comment.

MR. BACARISSE: Just if we could to thank everybody involved here certainly, but really I'd like to step back just a moment, and either if it's Whitney or maybe it's Corrie, just walk us through the process again.

We're at the beginning here, these are comments from our volunteer folks into the process where we're at the beginning of the process. Do you want to walk us just through that process real quickly, just remind everybody just kind of steps? That might be helpful.

MS. THOMPSON: Sure. Chairman, Corrie Thompson, if I may?

MR. TREVIÑO: Okay.

MS. THOMPSON: I would have to defer to general counsel on whether or not Member Gillman is able to provide any suggestion she may have that she would like to share with the Consumer Protection Advisory Committee.

But as to Member Bacarisse's request for information on the process, yes, this is the first step in the process. The committee was assembled at Sunset's request. We now have members of the committee, we've had several meetings, and they've been tasked with certain
topics.

We're starting with the one, of course, that's based on the Sunset recommendation and the statutory change that allows the department to have this new enforcement sanction authority to authorize refunds as part of our administrative cases.

And so next steps now are to go back, take this language within the Office of General Counsel and with program staff from the Enforcement Division and any other division that may be affected, and start to use these parameters to develop that rule language. And then, as you know, the rules come back to the board in various forms.

More recently we've started bringing back rules to the board during meetings at an informal stage, which we used to not do, which we've recently introduced, or we bring the rules back for proposal.

So we've had some rules on the agenda today that they're up for proposal, they'll go into the Texas Register and then there's a time period for people to comment on the rules on whether or not things negatively affect industry, and then that gives the department to then go back and take a look at those comments and determine whether or not any of the language in that rule should be changed.
So yes, we are at the very beginning stage, we have not even started the development of the actual language for the rule at this point, Member Bacarisse.

MR. BACARISSE: Thank you.

Thank you, Mr. Chairman.

MR. TREVIÑO: Thank you, Member Bacarisse.

Any other questions? Member Graham.

MR. GRAHAM: Thank you.

I just wanted to echo Member Gillman's comments. You know, when I read this document, a lot of it hit me the way that it hit her, just the tone of the language in the document.

Another one that I had circled was when a consumer is overcharged for TT&L, documentary fees or other fictitious fees, and it just felt like the tone of the document was that any mistake in any part of a transaction between a dealer and a consumer is just egregious and blatant on behalf of the dealer.

And so after reading it, my first initial thought was: Was there a dealer in this room when this happened? That's when I reached out and got a copy of the members on this committee, and then I was glad to see that there were two dealers added to the list that we approved today. I think having a committee that's balanced and representative in the same way that our board is is
critically important to all of these committees.

Anyway, it kind of hit me the way that it hit her. I won't say any more; she did a fine job. And I recognize that at the end of the day the board will inevitably take these recommendations that come out of these committees and determine what moves forward and how it's worded, and I appreciate that. But I just wanted to echo that sentiment.

Thank you.

MR. TREVIÑO: Thank you, Member Graham.

Any other comments or questions, Member Scott?

MR. SCOTT: Yes. I kind of echo what Member Graham said. I looked at number F too and it says, Consumers overcharged for TT&L, documentary or other fictitious fees. (Loss of audio) -- to the fact that it's almost like documentary fees are fictitious fees. So that's just clean-up of the language, but the tone is what I'm looking for.

MR. TREVIÑO: Thank you very much for those comments, Member Scott.

Does anybody else have any comments?

MS. GILLMAN: Yesterday I said the word fictitious fees offended me. It needs modification.

MR. TREVIÑO: Thank you for those comments,
Any other comments or questions for Ms. Thompson or Mr. Doran?

(No response.)

MR. TREVIÑO: I have a general question. How many vehicles are sold in the State of Texas over the course of a month, ballpark?

MS. THOMPSON: Corrie Thompson here. I do not have an idea of that number. I'm sure that we can obtain that information.

MR. TREVIÑO: Great. My guess is a lot. You know, don't really have the fact check on this one, but a lot, and the vast, vast majority of these are transactions that both parties are very happy about and are executed with no problems at all.

Occasionally problems do happen, as Member Gillman and Member Graham mentioned, and we just want to recognize that the vast majority of transactions that happen in the state of Texas are completed well, on time and the motoring people is happy with how it's working.

So I would like to thank Mr. Doran for all the hard work that his committee put in here and recognize that there's some work we need to do around tone, but I don't think there was any intent from Mr. Doran to intimate that there's some problem with the dealer community or people who sell automobiles in general.
Mr. Doran, it's putting words in your mouth, but I don't think that was the intent of the committee.

MR. DORAN: Thank you, Mr. Chairman. No, that was not the intent of the committee whatsoever, and anyone who was listening in on those committee hearings would know that there were dealers present on those, and I myself have at times spoken up to express the dealer's perspective on things.

So I appreciate the feedback from the board, and we will certainly take these comments to heart, and we'll take those back and work with staff, and so I thank all of the board members for their feedback. We appreciate it.

Thank you.

MR. KUNTZ: Thank you, Mr. Doran. Thank you, Ms. Thompson.

Any other comments or questions for Ms. Thompson or Mr. Doran?

MS. BREWSTER: Mr. Chairman?

MR. TREVIÑO: Yes.

MS. BREWSTER: Whitney Brewster, executive director.

I just wanted to answer your question about the daily volume of title transactions. It is approximately 30,000 are printed a day by Xerox, our vendor who prints...
our titles, so just wanted to give that bit of
information. For the third quarter we issued
approximately 1.4 million, but that is down last year at
the same time of 2.1- over the quarter.

MR. TREVIÑO: Well, thank you very much. I
stand corrected. It's not just a lot, it's a heck of a
lot. So I thank you for clarifying that point. And I'd
like to thank the dealer community for executing those
transactions well and keeping the motoring public happy
and on the roads of Texas.

So any other comments?

MS. GILLMAN: Mr. Chairman. I think that we
sell 1.7 million per year.

MR. TREVIÑO: There you go.

MS. GILLMAN: New vehicles.

MR. TREVIÑO: New vehicles, but you can't
forget that there are other vehicles sold that aren't new.

MS. GILLMAN: Of course. Mr. Scott is going to
answer that one.

MR. TREVIÑO: Hear, hear. So lots of them,
lots of them.

MS. GILLMAN: About 140,000 per month.

MR. TREVIÑO: Great, great. With very few
fictitious fees, I would suggest.

MS. GILLMAN: Exactly.
MR. TREVIÑO: Okay. So we have that behind us. Tracey, are there any comments from the public?

MS. BEAVER: Tracey Beaver, general counsel. No comments from the public.

MR. TREVIÑO: Great. So at that point, the chair would entertain a motion.

MS. GILLMAN: Mr. Chairman, I'd like to make a motion.

MR. TREVIÑO: The chair recognizes Member Gillman.

MS. GILLMAN: I'd move that the Consumer Protection Advisory Committee's recommendations not be adopted at this time and that the CPAC consider discussion that has been made during this board meeting and make necessary changes based on the policy guidance provided today.

MR. TREVIÑO: Okay. We have a motion from Member Gillman. Do we have a second?

MR. GRAHAM: I'll second. This is Brett.

MR. TREVIÑO: Member Graham seconds. And just to clarify the motion, it's that the recommendations from CPAC not be adopted and be sent back for revision based on the comments that were given today.

Is that a good summation of the motion?

MS. GILLMAN: Yes, Mr. Chairman.
MR. TREVIÑO: And Mr. Graham, you're willing to
second that?

MR. GRAHAM: Yes.

MR. TREVIÑO: Great. So now I'll call for the
vote -- no -- any further discussion on this point?

Anybody like to discuss the motion?

MR. BACARISSE: Mr. Chairman.

MR. TREVIÑO: Yes, Member Bacarisse.

MR. BACARISSE: I'm just asking a question
here.

MR. TREVIÑO: Go ahead.

MR. BACARISSE: This will come back but this is
the very, very beginning, this is sort of the raw data
that gets put into the process, and there's ample time and
ample opportunity for all sides to have input in the
rulemaking process.

So we're not adopting rules, we're just taking
in comment, essentially, and so I don't want to stop the
process. My thought is we've taken the comment. Now, you
know, the Texas Auto Dealers Association and any citizen,
whomever can also add information into the process, and we
as board members will work with and ultimately oversee and
vote on the rules that get proposed for public comment,
and then secondly, finally adopted.

So I don't think we need to kill this process
right now. We've pointed out problems with it, but I
don't think we need to kill it. Let's just take the
comments and let's just move the process as it should be
run, in a sense. So that's my comment.

MR. TREVIÑO: Thank you, Member Bacarisse.

Member Prewitt, did you have a comment?

MR. PREWITT: I think the idea is that there be
a discourse. It appears from Member Gillman's comments
that the discourse can be expanded, and I do agree, I
don't think there was any intent for ill statements of the
industry or anything like that, but I do think a broader
discourse would be recommended.

And I don't think we're killing it, I would
disagree with that, I think we're just saying, look, we
want to give direction and that direction would be a
little more discourse and bring it back again. And the
idea being that things being proper today for approval,
don't meet with the approval of all the members, and so
because of that I think the idea is just go back not to
the drawing board but at least to maybe have a little
broader discourse on it before it's brought back again.
That's my thoughts.

MR. TREVIÑO: Okay. Thank you, Member Prewitt.

Any other comments?

MR. SCOTT: I have a question for general
counsel on this. Is it necessary that we take action here, or can this just be tabled?

MS. BEAVER: This is an action item on the agenda today, but you can absolutely table this if that's the board vote at this point. There was a motion and a second made, so a vote would need to be taken on that motion. If that motion fails, then there could also be another vote to table this.

In effect, I think those motions would be similar because Member Gillman's motion was that the committee reconsider and come back, so in essence, if the motion succeeds that Member Gillman made, it will be tabled to the next meeting anyway because the committee would come back again with recommendations for a vote.

MR. SCOTT: Thank you, Tracey.

MR. TREVIÑO: Member Graham, your mic is on. Do you have a comment?

MR. GRAHAM: Well, the thought that crossed my mind here as we've talked about this is -- and the reason I would continue to hold my second for this motion is, yes, it is a matter of stages, these recommendations come out of these committees, then staff will begin to develop proposed rules, those proposed rules then go through their stages.

And clearly I think the two franchised dealers
on the board would like to see some things improved and cleaned up. And I fully understand that there wasn't intent in the way these things were done but the tone, I think, could be cleaned up and improved on to create a better product.

And I just think about we have these meetings and so much happens between these of time, if that rolls through one particular meeting and I'm not there and maybe Stacey is not there, then things happen and get through, and I just think it would be better to send it back and let them sort of work on it, just clean it up however they see fit, bring it back, and then we can take it from there.

But that's my thoughts, so I'll stand put with my second.

MR. TREVIÑO: Great. Thank you, Member Graham. Any other comments or questions? (No response.)

MR. TREVIÑO: Hearing none, I'll call for the vote.

Member Bacarisse? This is for it not to be adopted.

MR. BACARISSE: I understand, and I respect my colleagues' opinions. And thank you, General Counsel, for your explanation of the motion.
I vote aye.

MR. TREVIÑO: Member Gillman?

MS. GILLMAN: Aye.

MR. TREVIÑO: Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Member McRae?

MS. McRAE: Aye.

MR. TREVIÑO: Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: And also, Member Washburn is not present, and I, Chairman Treviño, also vote aye, so it's unanimous. The recommendations are not accepted by this board with just some comments about taking it back and reviewing it.

So, Tracey, you'll work up the language around that?

MS. BEAVER: I'm sorry. The language around what, Chairman?

MR. TREVIÑO: About the rejection of the motion because I did not have it in what I would consider to be a good form other than the motion not be adopted.

MS. BEAVER: Yes, sir.

I would like to thank Mr. Doran. This is no reflection on your committee in the sense that they're not handling their charge well. I'd like to thank everyone on that committee for their work, and realizing that this process is give and take over time, but I'd like to thank them all for all their contribution. And Ms. Thompson too.

We'll now move on to agenda item number 13, Finance and Audit Committee update. Committee Chair Brett Graham, assisted by Linda Flores, Sergio Rey, Brian Kline and Ms. Sandra Menjivar-Suddeath.

MR. GRAHAM: Thank you, Mr. Chairman.

I will begin with item 13.A, the accounts receivable initiative. Each of these items I'll just give you a summary on and then we'll take questions.

On the accounts receivable initiative, the department has requested approval from the Governor's Office to engage a third-party vendor to examine the decentralized accounts receivable functions within the department.

That statement of work includes first evaluating TxDMV's existing accounts receivable structure, also provide options for improvements that would ensure consistent and uniform processes, policies and procedures across the department that would comply with government
and industry best practices, and the third was to provide recommendations for additional software needed to better manage division accounts receivables under each method, those methods being centralized, decentralized, or some hybrid thereof, and including a plan for integrating those proposed software options with all the department's current billing, cash receipts and accounts receivables applications and functions.

For consulting contracts, TxDMV must obtain approval from the Governor's Office first before submitting the RFQs to the vendor community, and that is the accounts receivable overview.

I'm kind of thinking we just stop and allow any questions before I move to the next item, if that's okay with you, Mr. Chairman.

MR. TREVIÑO: Yes, Member Graham.

Any questions for Member Graham or staff?

MS. GILLMAN: I just have one comment. I support and endorse the accounts receivable proposal to move forward to try and find a new vendor. I think there's 18 -- Brett, you have to correct me where I'm wrong -- like 18 different offices doing it 18 different ways, and it seems so nice and logical finding a vendor that can bring all the systems together. I think Linda and Sandra would -- it would surely support our DMV office
and I think it would be a really good expenditure.

    Thank you.

    MR. TREVIÑO:  Great.  Thank you for those comments.

    Any others?

    (No response.)

    MR. TREVIÑO:  Member Graham, please proceed.

    MR. GRAHAM:  Thank you.  And just to wrap up and add to Member Gillman's comments, one of the paths forward may very well be the state system, but we don't know that until we get the approval from the Governor's Office to move forward.  We'll just have to wait and see.

    But at the end of the day, it is the objective of all of the DMV staff to find the best path forward to make sure that we are providing the tightest oversight possible for taxpayer dollars, so that will continue to be the objective.

    So with that, we'll move on to 13.B, which is the preliminary fiscal year 2022-2023 legislative appropriations request baseline and exceptional items.

    Ms. Flores and her staff briefed the committee on the LAR process for the upcoming legislative session yesterday.  That included a timeline, estimated revenue collections by fund, included baseline budget appropriations request by strategy which was $310.8
million. It also included capital project budget summary baselines which totaled $43.6 million, preliminary exceptional item requests which totaled $17.1 million and 11 FTEs, and then lastly, it included the five riders that assist in department operations.

One of those riders were relevant to making payments to a vendor for the marketing and sale of personalized license plates, and four to those riders were to address carryforward and unspent state dollars between the bienniums for operations grants and headquarters capital projects.

This process includes submission of the department estimated expenditures for the current biennium which is also known as base reconciliation to the LBB which was done on May 21 of 2020, and also includes estimated approval of base reconciliation by the LBB which is expected in mid July.

There was a second presentation of the LAR to the Finance and Audit Committee -- there will be, and then it will be brought to the full board for your consideration sometime in early August. Of course, we don't know what the future is going to hold for our board meetings, but I'm going to tell you that I'm planning on being in Austin for that meeting so I'm really looking forward to that. And then the estimated submission date
for the LAR to the LBB and the Governor's Office will be after that approval.

Let me just stop right there. We'll take questions or comments on the legislative appropriations request.

MR. TREVIÑO: Great. Thank you, Member Graham. Would anybody like to ask any questions or would staff like to add any comments to Member Graham's recap?

MS. FLORES: For the record, this is Linda Flores.

Just to kind of reiterate, this is a preliminary budget presentation. There's still a lot of work to be done over the next four to six weeks on this request. We do have some technical corrections as well. We did reflect the Automobile Burglary and Theft Prevention Authority, which is now known as the Motor Vehicle Crime Prevention Authority. So we'll be making those type of corrections as well as just continuing to make sure that we've aligned our base reconciliation appropriately to ensure that we're meeting the divisions' program needs further. So just to kind of reiterate, there's still a lot of work to be done.

Thank you.

MR. TREVIÑO: Thank you, Member Graham. Thank
you, Ms. Flores.

And Ms. Flores, can you comment on any directions you've had from the Governor's Office on preparing these budgets?

MS. FLORES: So far the only guidance that we've been provided -- and that will be addressed in the financial impacts -- there is a 5 percent reduction savings plan that's due June 15 for the current biennium. There is a 5 percent reduction to our general revenue program which is the Motor Vehicle Crime Prevention Authority. That reduction equates to $1.28 million, and I do know that Mr. Bryan Wilson, along with his board, are working together to identify where they can make some of those cuts.

We have not received any guidance on the actual LAR deliverables or schedules or what policy letters may be coming our way at this point, so they're really focused on the financial impacts of the COVID to state agencies for general revenue and general revenue dedicated accounts.

MR. TREVIÑO: It's your general sense that it will be a tight budgeting process as we move through this. Right?

MS. FLORES: Yes, sir, absolutely.

MR. TREVIÑO: Great.
Member Graham, any other comments? Thank you for that great recap of your meeting. And I just want to comment for the record that I listened in on private and you did a great job, you ran a great meeting.

MR. GRAHAM: Well, I appreciate it, Mr. Chairman. I do have one more section to cover.

MR. TREVIÑO: Go ahead.

MS. BEAVER: Chairman, I'm sorry. This is Tracey Beaver. Could I interrupt real quick?

MR. TREVIÑO: Certainly, Tracey.

MS. BEAVER: Thank you.

We may have MVCPA Chairman Hansen on the line. I'm not sure if he was able to join in with us this morning to provide input on the exceptional item related to that.

MR. TREVIÑO: Thank you, Tracey.

Do we have anybody on the line? Mr. Hansen?

MS. BEAVER: Chairman, Tracey Beaver, general counsel, for the record again.

It does appear that the meeting host has changed the settings for Carrie to be host, so if we could give them a moment for IT to please regain the host role so that they might be able to recognize Chairman Hansen, if he has joined. If we could just give them one moment.

MR. TREVIÑO: Sure. And thank you very much.
for mentioning Mr. Hansen is on the line.

(Pause.)

MR. BACARISSE: Mr. Chairman, would you tell us again who might be joining us? I kind of missed the affiliation that Mr. Hansen holds, Chairman Hansen.

MS. BEAVER: Sorry. This is Tracey Beaver, general counsel, for the record.

Mr. Hansen is the chairman of the Motor Vehicle Crime Prevention Authority of the department. Thank you for the question. I used the acronym MVCPA.

MR. BACARISSE: I missed that. Thank you.

MR. TREVIÑO: And, Whitney, since we have a moment, can you explain the MVCPA to the board?

MS. BREWSTER: Absolutely, Mr. Chairman.

For the record, Whitney Brewster, executive director.

The Motor Vehicle Crime Prevention Authority is a separate governor-appointed board that oversees efforts, statewide efforts in fighting motor vehicle crime. The scope of MVCPA expanded this last legislative session under SB 604, which was the Sunset bill, to also include things like title and odometer fraud, and the MVCPA Board is responsible for the grants that are distributed to local law enforcement for these efforts. And Chairman Hansen been a long serving member of the then ABTPA Board,
now the Motor Vehicle Crime Prevention Authority, and is the chairman.

MR. TREVIÑO: Great. Thank you, Whitney.

And I have attended one of these meetings and they do a great job for the citizens of Texas and administer grants all over the state.

MS. BEAVER: And, Chairman, Tracey Beaver, general counsel, for the record.

I just also wanted to mention that we have Bryan Wilson who is the director of MVCPA on the line as well. He is currently on the meeting. I don't know if he has any comments he'd like to make, but it does not appear that we have any other comments for today.

MR. TREVIÑO: Bryan, I apologize for skipping you. I didn't see your face. I apologize.

MR. WILSON: I don't know what happened. I know all morning long --

MR. TREVIÑO: I can't hear you at all.

MR. WILSON: Oh, sorry. I've been listening to y'all but not speaking all morning, so thank you, Chairman.

I haven't been able to get ahold of Chairman Hansen today since we've talked earlier. I think the main thing was on the original budget, there was concern that the new statute that was passed, House Bill 2048, that
moved us into the Transportation code with DMV, I think many of y'all don't realize that we have collected about $50 million a year. If you look at the bottom of your insurance policy the next time you pay your insurance bill, you'll see that you pay for every vehicle, it was $2, now it's $4.

So we've been working real diligently to try to incorporate our collection process in with DMV's. There's evidence that there's probably anywhere from $500,000 up to $5 million, based on mathematical models we've applied, that is not being collected, and under the new law 20 percent of those funds are supposed to go to support not only law enforcement but we have many other statutory duties, developing community programs to stop auto theft, to help consumers, to try pilot projects, and even things like digital license plates that can be used to track vehicles that are stolen, so ironically, we can touch on a lot of those things.

So we just wanted to make sure that at the outset of the budget presentation that our six-month period that just ended for collections was $40 million, so our share of that would be $8 million so that's $16 million. So Chairman Hansen wanted to make sure that the board took into consideration that at least in our outset presentation to start off with what the statute says, and
then if we're told otherwise that's one thing, but just
making sure that we always start with what the law says
that we're supposed to do. And to be clear, these are DMV
appropriations -- as Linda will always point out to me --
but they're for the MVCPA.

Thank you, Chairman.

MR. TREVIÑO: Thank you very much, Bryan. In
all my dealings with the committee that you oversee,
Chairman Hansen does a great job, and he's very dedicated
to what your committee is doing.

And I think, since this is statute, I think is
speak for the department and for the board that we want to
follow the law in all instances in everything that we do,
so in the budgeting process, every dollar the statute
indicates should go to MVCPA, I think I can say very
safely they'll get it.

You know, if statute says it, they're going to
get it. So I think the budget process is working its way
through all the channels and that Ms. Flores will do
everything she can to clarify what MVCPA is supposed to
receive, based on statute.

Ms. Flores, is that correct?

MS. FLORES: That is correct, Chairman. We
actually did get clarification from our analyst at the
LBB -- his name is Thomas Galvan -- he indicated that we
should prepare an exceptional item request for the additional funds. I think that based on the statutory provisions give us the justification for those dollars, and we will do our part to make sure that it's in the LAR when we come back to you in August with an exceptional item justified by that statutory reference.

MR. TREVIÑO: Great. It's been money well spent. You guys have done a great job. So we'll see where that leads us.

And also, if you get Chairman Hansen and you want to break in in another part of the meeting, happy to take his comments and fit him in wherever we can. Okay?

MR. ENG: This is the host. I believe Chairman Hansen has just been unmuted.

MR. TREVIÑO: He's been what, he's in?

MR. ENG: Unmuted.

MR. TREVIÑO: Unmuted.

Chairman Hansen, are you there?

MR. HANSEN: I am, and I've been here the whole time, I was just unable to get through to you guys.

MR. TREVIÑO: Okay.

MR. ENG: Apologies.

MR. HANSEN: Oh, that's fine, that's fine. I understand technology. We've been through this.

I appreciate your time, Chairman and DMV Board
I would like to add a few little things to what Bryan said, and Bryan covered a lot of this.

This program, just to give you an example, a news story broke involving three of our task forces as well as DMV investigators that resulted in the recovery of 60 vehicles valued at over $200.2 million in recovered value.

So you know, we're trying to do this, we do want to follow the statute. For the first time in years the legislature -- you know, we're there and House Bill 2048 was passed out which clearly took out any questions we had of how much money we're supposed to get, but it also greatly increased our collections. As you know, 20 percent to the state for criminal justice matters, 60 percent to emergency services, and 20 percent of that to us.

I would also like to comment that the amount has increased over what we expected thanks to staff because Mr. Wilson and them have identified a number of insurance companies that weren't paying the appropriate amounts, thus putting us even more money for our program, as well as for the State of Texas.

And just one reminder to all you guys, you're taxpayers and all we want to do is spend this money appropriately to provide the services that the citizens
pay for. When it comes to stolen vehicles, everyone
sometimes doesn't get that, but if I'm going to smuggle
dope, if I'm going to smuggle people, I'm going to smuggle
cash, I'm going to do a drive-by shooting, I'm not going
to use my car, I'm going to use yours.

So these guys are involved in all type of
criminal investigations from capital murder to gangs to
everything, and I think at this point in time in our
society it's the last time we need to take a chance of
losing any police officers that can be paid for by grant
money.

So with that being said, I want to thank you
again, and I think Mr. Wilson covered a lot of it. We're
anxious to move forward. Senate Bill Sunset also added a
lot of responsibilities to us that we have trained people
the ability to do and now it's legal for us to do that,
and we don't want to lose any funding to follow up on
that, and this recent investigation is just a key example
of what we can do.

And I'll end with this here: we fund about 240
officers, give or take, for the whole State of Texas, and
just last go-round these guys recovered over 11,000
vehicles, and if that's not providing a service to the
citizens of Texas, I don't know what is. And I'll end
with that.
Thank y'all very much for your time.

MR. TREVIÑO: Thank you, Chairman Hansen.

Any questions or comments for Chairman Hansen?

(No response.)

MR. TREVIÑO: I would just to add that I did visit an auto theft prevention unit in a police department with Chairman Hansen, and I never thought this was a foundational important thing until I actually visited a group of people who are actually doing this, and this thing about the stolen car leads to other crime -- it's not simply a stolen car -- is a very, very important point.

Chairman Hansen, thank you for all your work on your committee.

MR. HANSEN: Thank you very, very much. And thank the guys on the streets, because they're the ones putting themselves on the line every single day.

MR. TREVIÑO: Hear, hear. Well said.

Further comments?

(No response.)

MR. TREVIÑO: Okay. So can we move on, Member Graham, to your next part of the presentation?

MR. GRAHAM: Absolutely. Glad to, Chairman.

And I just wanted to point out one other point on the legislative process for the board to remind them
that even after we walk through this process and get this proposal put together and sent to the Governor's Office in August, that process will continue to evolve even into the session and through the session, because they'll have a lot of say as to what needs to come out and go in, so it's a pretty lengthy process. But we're in the early stages and look forward to bringing that to you hopefully at the August board meeting in Austin. Right?

All right. A couple of other things I need to touch on. First, just kind of an overview of the financial impacts of COVID-19 on DMV. Staff provided us the estimated revenue and expenditure impacts yesterday on the pandemic.

And the most significant items that I will touch on in regards to that would be, first, to the General Fund 001 we're looking at right now end of fiscal year an impact of about $16.6 million; on the State Highway Fund 006, that loss is in the $95 million range, and the TxDMV Fund 0010 is in the $22 million range. So you know, clearly there's some significant impact resulting from COVID-19 on the revenues of the department.

The amounts expended through April 2020, expenditures for PPE and whatnot, totaled right at $800,000, and those expenditures were primarily from staff time for planning and preparation of COVID-19 response.
activities, the acquisition of personal protective
equipment items for employees and customers, and then
cleaning supplies and facility preparation activities like
de-fogging services and installation of plexiglass
partitions. So that totals about $800,000.

The total projected cost for COVID-19 response
is estimated to be about $1.577 million through the end of
our fiscal year, end of August, and the year-end estimate
assumes continued staff time through the middle of June
and continued cleaning services and cleaning supplies, PPE
replenishment through the end of the fiscal year. Those
costs are anticipated at this point to be covered; we
should be able to cover those internally with the existing
budget.

So thank you to Ms. Flores for the extensive
amount of work, and her team in putting this together.
They've been reporting this to the governor and trying to
keep everybody in the loop on this.

Let's see, I will also touch on the mandated
general revenue appropriations savings plan. On May 20th
of this year, the legislature provided a communication to
all state agencies to engage in prudent fiscal management
as a response to the economic conditions during COVID-19.
Included in that communication is a specific request that
all agencies in Texas submit a 5 percent savings plan for
the general revenue appropriations for 2020-2021 biennium. TxDMV has one general revenue appropriation, as you know, as we just discussed, for MVCPA. The appropriation provides funding for five MVCPA employees as well as administrative costs of the grants to local law enforcement agencies.

The fiscal 2020-2021 general revenue appropriation amount for MVCPA is $25,671,702, so a 5 percent savings plan of that would be $1.283 million, or $641,000, and that has been identified for the 2020-2021 biennium.

All right. I've got one more for you here, and that is agenda item 13.D, which is the fiscal year 2021 Internal Audit risk assessment.

And by the way, thanks to Ms. Flores and her team on all that financial stuff. They've done an amazing job with that, putting that together.

In regards to Internal Audit, Ms. Menjivar-Suddeath provided an update to us on the Internal Audit risk assessment which is used to create the six-month internal audit plan. The risk assessment includes identifying, reviewing and evaluating each department's risks and determining the available hours for the upcoming year.

So far, Internal Audit has identified 260 risks
and has categorized these risks into four key themes that will shape the first six months of our internal audit plan. The themes are transformation, information technology, human resources, and procurement and supply chain management. You will see the definitions of these themes in the committee material on page 55, and the update included information as well on the available hours for the upcoming year.

Ms. Menjivar-Suddeath provided an update as well on the current status of Internal Audit activities, including four engagements on the internal audit plan. She provided information on a new external audit being conducted by the Texas Comptroller of Public Accounts and an update on the division activities related to Internal Audit Month.

And perhaps most importantly, the biggest news of the day came from the staff of five division participated in Internal Audit Bingo among many other things in their entire month-long celebration of Internal Audit Month.

So it was a very, very exciting month to be Finance and Audit chairman, and I appreciate all the staff members who worked hard and made that pretty fun.

No other action was required from the committee on any of the briefing items, Mr. Chairman, and with that,
that concludes my summary for Finance and Audit.

   MR. TREVIÑO: Thank you very much, Member Graham.

   Would any members of staff, Ms. Menjivar-Suddeath, would you like to comment, anybody else?

   MS. MENJIVAR-SUDDEATH: Good morning. Sandra Menjivar-Suddeath, Internal Audit director.

   No, I have no comments.

   MR. TREVIÑO: Great. Thank you, Ms. Menjivar-Suddeath.

   Sergio Rey is on there too, anybody else.

   Any comments, any questions from the board?

   (No response.)

   MR. TREVIÑO: Okay. Well, great. Thank you, Member Graham. And thank you for the heads-up on the bingo. I heard that was very popular and went very well.

   And another happy note that I just got a note on, I think I'm going to take a moment to congratulate Member McRae. She was recently elected as the Tax Assessor-Collector president.

   Is that the Texas association of tax collectors, Member McRae?

   MS. McRAE: Yes, it is.

   MR. TREVIÑO: Wow. What a huge honor. And let me be the first board member to congratulate you on that,
and again, Texas DMV taking leadership in state
associations and national associations. I know the Texas
association of tax collectors is going to be in great
hands with you at the helm.

MS. McRAE: Thank you, thank you.

MS. GILLMAN: Congratulations, Tammy.

(Applause.)

MS. McRAE: Thank you, Stacey. Thank you all.

MR. TREVIÑO: Thank you for your service.

Okay. Think we can move on to agenda item
number 15. Is that correct? The approval of negotiated
rulemaking and alternative dispute resolution policy. Is
that the next item on the agenda, Tracey?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Yes, that's the next agenda item.

MR. TREVIÑO: Okay. Great and so I'll turn it over to you to discuss the negotiated rulemaking and
alternative dispute resolution policy.

MS. BEAVER: Thank you.

The policies can be found in the board books on page 46, and there's two new policies implementing Senate
Bill 604, 86th Legislature, and new Transportation Code
Section 1003.008, which require the board to develop and
implement policies to encourage the department's use of
both negotiated rulemaking and alternative dispute resolution procedures.

The Sunset Commission routinely applies standard provisions such as these for state agencies under review to utilize negotiated rulemaking and alternative dispute resolution, and implementing the statute and the Sunset Commission's recommendation for the board's consideration is the negotiated rulemaking and alternative dispute resolution policies. The policies encourage the use of these tools but do not require their use for any particular situation.

Negotiated rulemaking is a consensus-based approach to drafting rules that allows the agency and affected stakeholders of various groups to negotiate a consensus on a rule.

Negotiated rulemaking is a tool that utilizes a neutral facilitator and a balanced committee of stakeholders of various interests for rulemaking. Negotiated rulemaking may also use alternative dispute resolution processes to enable the committee to arrive at a consensus on a rule and rules where various stakeholder can add expertise and input while also compromising on positions are especially well suited for negotiated rulemaking. This is a tool that is not often used but there are situations where it might be appropriate so the
policy would encourage the department to use it whenever appropriate.

The department already utilizes alternative dispute resolution processes, namely mediation, as a tool in enforcement cases. Appropriate use of alternative dispute resolution processes, like mediation, can result in the efficient and peaceful resolution of disputes.

And members, this concludes my remarks. Thank you.

MR. TREVIÑO: Okay. Thank you very much, Tracey.

Does anyone have any comments or questions for Tracey?

(No response.)

MR. TREVIÑO: Okay. I think the important things here are the words "encourage when appropriate" and "do not require." Is that correct?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Absolutely. Thank you, Chairman.

MR. TREVIÑO: Great. Thank you very much, Ms. Beaver.

Once again, do we have any comments? Do we have any public comments?

MS. BEAVER: No public comments on this agenda
MR. TREVIÑO: Great. So hearing none, hearing no questions or comments, the chair would entertain a motion. If someone is making a motion, you've got to unmute yourself. Just give it a moment to think about whether you'd like to make a motion.

MR. PREWITT: Chairman, in view of the lack of participation at the very moment, I would propose the following motion, subject to Ms. Beaver's approval of the language I state it in.

Related to 604, new Transportation Code Section 1003.008, I recommend adoption of this negotiated rulemaking and alternative dispute resolution policy.

MR. BACARISSE: I'll Second.

MR. TREVIÑO: Thank you, Member Prewitt. Who seconded, Member Bacarisse?

MR. BACARISSE: Yes. I'll Second the motion.

MR. TREVIÑO: Thank you, Member Prewitt for quickly stepping into the breach there.

We have a motion from Member Prewitt, a Second from Member Bacarisse. We will now call for the vote.

Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Member Gillman?

MS. GILLMAN: Aye.
MR. TREVIÑO: Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Member McRae?

MS. MCRAE: Aye.

MR. TREVIÑO: Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: And Member Washburn is not present, and I, Chairman Treviño, also vote aye, so the motion carries unanimously. There you go, Ms. Beaver.

Okay. So are we done with the general session and now moving to executive session?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Yes, Chairman, that concludes the action items before executive session. There's still an action item after executive session, as well as a public comment period. It's up to your discretion if you wanted to have the public comment period earlier or wanted to wait till after executive session.

MR. TREVIÑO: Do we have any public comments?

MS. BEAVER: We have received one person who would like to provide public comment on agenda item 17.

MR. TREVIÑO: What is your recommendation?
Should we take it?

MS. BEAVER: I would recommend that if that person is available right now that it might be good to go ahead and do public comment period so folks aren't waiting until after executive session, and of course, if they're not present now, we could wait.

MR. TREVIÑO: Great. Well, let's see if the commented is available. Do you have the name of the commenter?

MS. BEAVER: Sorry. Yes. It's Mr. Cernosek. If Mr. Cernosek would please use the function either on his telephone or using the WebEx system to raise his hand for public comment.

MR. TREVIÑO: Okay. We will now hear from Mr. Cernosek. You need to unmute your line to comment, and please be mindful about eliminating any background noise. Are you there?

MR. CERNOSEK: Yes, I'm here.

MR. TREVIÑO: Great. Please state your name for the record and if you're representing anyone. You will have three minutes.

MR. CERNOSEK: Okay. My name is Larry Cernosek. I'm representing myself, even though I've been in the towing business 45 years so I guess I represent a lot of people. I've served as chairman of our state and
national associations.

But anyway, the problem that we're having is these temporary tags that are issued online or from a used car dealership or a new car dealership also, they need to be changed so that the people that are buying them are meeting the financial responsibility of the State of Texas to either have insurance or be financially responsible.

Probably 80 percent of the vehicles we tow in -- I tow for two police departments -- that's why they're picked up, because the tags are either fictitious because you can buy them online for like $65 and there's nothing to back it up. I don't even know why the state would let that be done, for these things to be bought online, you know.

And then the other problem is we're licensed by TDLR, and we're required to release these vehicles even though the police department tells us don't release them until they prove that they have financial responsibility.

We have to release them, otherwise they can fine us or take our license away.

So something needs to be done about these tags, they are a major problem. I know y'all have complaints, I've filed numerous ones myself. And the public needs to be protected. That's the only job that y'all have is to protect the public, and so something needs to be done.
about it.

And with that, I'll close.

MR. TREVIÑO: Great. Thank you very much for your comments, Ms. Cernosek.

Ms. Beaver?

MS. BEAVER: Thank you, Chairman. Tracey Beaver, general counsel, for the record.

I'd also to remind the board that under the Open Meetings Act the board can't comment or deliberate on a public comment that doesn't relate to a posted agenda item. This is because the public would not have been on notice that the board might discuss that subject.

If the board desires, we can schedule any aspect of the commenter's remarks for a future agenda, with approval of the chairman. And also, Chairman, you may also ask that the CPAC advisory committee take up this issue, which is already one of those items that is on their agenda for an upcoming advisory committee meeting.

Thank you.

MR. TREVIÑO: Great. Well, since we can't comment on it, Mr. Cernosek, again, thank you very much for your comments and your interest in keeping Texans safe.

We will direct staff to come back with some kind of overview on this, and see if it's appropriate to
put in to CPAC for their review and consideration.

    Great. Thanks again.

    Any other comments, public comments, or are we done with this section of this meeting?

    MS. BEAVER: Tracey Beaver, general counsel, for the record.

    We have no more public comments for today's meeting.

    MR. TREVIÑO: Great. We will now move to the executive session portion of this meeting. Before we do, I also suggest we take a five-minute break before we take up executive session so once we're in executive session we'll take a five-minute break if that's possible, or should we do that before we move into executive session?

    What's beset from an IT perspective?

    MS. BEAVER: I think from an IT perspective, it would be great to go ahead and go on break for five minutes so IT can set up the executive session and then come back into open meeting and then go into closed session, Chairman.

    Thank you.

    MR. TREVIÑO: Great. Thank you very much, Tracey.

    For the sake of IT and for various committee members, we will take a five-minute break and then we will
move into executive session. Please mute your line and stop your video.

(Whereupon, at 11:50 a.m., a brief recess was taken.)

MR. TREVIÑO: So we will now take up agenda item number 15. We're going to go into closed session. It is now 11:55 a.m., approximately, on June 11, 2020. We'll go into closed session under Texas Government Code Section 551.071, 551.074, 551.076, and 551.089.

For those in the audience, I anticipate being in executive session for approximately 45 minutes, and we will reconvene in open session after that.

Will the meeting host please move all panelists, except for board members and Matthew Levitt, to attendees.

With that, we are recessed from the public meeting and we're going into executive session.

(Whereupon, at 11:55 a.m., the meeting was recessed, to reconvene this same day, Thursday, June 11, 2020, following conclusion of the executive session.)

MR. BACARISSE: Good afternoon. I'm Charles Bacarisse, vice chair of the board. I am resuming this meeting in the substitute of our chairman, Memo Treviño, who had to depart.

It is now 1:25 in the afternoon, and Board of
the Texas Department of Motor Vehicles is now back in open
session. Please note for the record that Chairman Treviño
has left the meeting and we still have a quorum.

Will the meeting host please turn on the video
for the board members and unmute their lines? And I ask
that the meeting host also move Whitney Brewster, Sandra
Menjivar-Suddeath and Tracey Beaver as panelists.

And I will entertain a motion regarding agenda
item number 16.

MR. GRAHAM: Mr. Chairman, this is Brett
Graham, and let me first say that while it might be
concerning that the board comes back out of closed session
without their chairman, don't be concerned, he had another
appointment. Right?

MR. BACARISSE: Yes.

MR. GRAHAM: And I'm going to take a shot in
the dark here and I'm going to make a motion. I would
like to tell my fellow board members clearly this is
something that we will discuss here if this is not in line
with your thoughts or your wishes, feel free to give me a
second and then we'll back up and start over. This was
not something we could discuss in closed session, so let
me take a shot at it.

Let's see here. I move that -- let me read my
notes here, one moment. I make a motion that -- well,
time out.

Tracey, are you available?

MS. BEAVER: Yes, I am. We can go ahead and take a quick break and I'm happy to visit with you, Mr. Graham.

MR. GRAHAM: I'm confused about my wording here. I want to make sure I get this right. So I just need like two minutes.

MR. BACARISSE: Two-minute break?

MR. GRAHAM: Two-minute break.

MR. BACARISSE: Two-minute break, please, Mr. Host. Thank you, members.

(Whereupon, at 1:28 p.m., a brief recess was taken.)

MR. BACARISSE: Vice Chair Bacarisse, for the record. It's 1:32 in the afternoon, and I'm returning the Texas DMV Board to open meeting after a short recess.

Member Graham, I know you were in the midst of thinking through how you may want to propose a motion for us to consider, and certainly we'd appreciate that as you're ready.

MR. GRAHAM: Okay. I'm actually going to have two motions, Mr. Chairman. My first motion, and I would ask for a second and a vote on this motion before moving on.
MR. BACARISSE: Member Graham, may I interrupt you just a moment? Should we take these motions separately?

MR. GRAHAM: Separately.


MR. GRAHAM: I make a motion that the board approve the evaluation of the internal auditor, Ms. Menjivar-Suddeath.

MS. McRAE: Second.

MR. BACARISSE: Who seconded for us on the record, please?

MS. McRAE: Tammy.

MR. BACARISSE: Member McRae was the second. Is there any discussion of that motion right now?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

Just to clarify, that's the evaluation that was compiled by the board in executive session. Is that correct?

MR. BACARISSE: Yes, I believe that's correct. Right, Member Graham?

MR. GRAHAM: Right, yes.

MR. BACARISSE: The evaluation formed that we just finished, and so the motion is to submit that or
accept that officially since we took no action in executive session, for the record.

So there is a motion and a second. Is there any discussion on that motion?

(No response.)

MR. BACARISSE: Hearing none, I'll just call for approvals -- for a vote, rather.

Member Gillman?

MS. GILLMAN: Approve.

MR. BACARISSE: So you're an aye. Okay.

Member McRae?

MS. McRAE: Aye.

MR. BACARISSE: Member Prewitt?

MR. PREWITT: Aye.

MR. BACARISSE: Member Scott?

MR. SCOTT: Aye.

MR. BACARISSE: Member Graham, of course.

MR. GRAHAM: Aye.

MR. BACARISSE: And I, Member BACarisse, vote aye as well, so it is unanimous. We have accepted the evaluation of Sandra.

Do you have another motion, Mr. Graham?

MR. GRAHAM: Yes, sir.

I make a motion that we approve a merit increase of the salary of the internal auditor, Ms.
Menjivar-Suddeath by 3 percent, and to authorize the staff
to take the necessary actions required under the Act to
implement the change.

MR. BACARISSE: Is there a second for this
motion?

MR. PREWITT: I second it.

MR. BACARISSE: That was Member Prewitt, for
the record, seconding the motion.

So now we have a motion and a second to give
the internal auditor, Sandra Menjivar-Suddeath, a 3
percent salary increase, and now we can have discussion.

Members, any discussion?

(No response.)

MR. BACARISSE: Okay. I hear none, so I'll call
the question and we'll vote. I'll just call the roll and
please answer.

Member Gillman?

MS. GILLMAN: I approve, aye.

MR. BACARISSE: Okay. Member McRae?

MS. McRAE: Aye.

MR. BACARISSE: Member Prewitt?

MR. PREWITT: Aye.

MR. BACARISSE: Member Scott?

MR. SCOTT: Aye.

MR. BACARISSE: Member Graham?
MR. GRAHAM: Aye.

MR. BACARISSE: And I, Member BAcarisse, vote aye as well. Let the record reflect that our chairman, Memo Treviño was absent, as well as Member Washburn.

Thank you, members. This motion passes.

General Counsel, do we have any further instructions from you on these two issues?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

No further instruction on those two issues. I would just like to clarify that there were no public comments on agenda item 16.

MR. BACARISSE: Thank you. I forgot to ask if there were. Thank you.

Okay. That brings us to, I think, the opportunity that we've all been waiting for which is there is no further public comment. Right, Ms. Beaver?

MS. BEAVER: Tracey Beaver, general counsel, for the record.

That's correct, there's no more public comment.

MR. BACARISSE: Okay. Unless there is any further business, I would like to entertain a motion to adjourn.

MR. GRAHAM: So moved.

MR. GRAHAM: Second.
MR. BACARISSE: So it was moved by Member Graham, seconded by?

MS. McRAE: Tammy.

MR. BACARISSE: Member McRae to adjourn.

All in favor?

(A chorus of ayes.)

MR. BACARISSE: Opposed nay.

(No response.)

MR. BACARISSE: Okay. Let the record reflect that the vote is unanimous, and it is now 1:37 p.m. and we are adjourned. Thank you, members and staff.

(Whereupon, at 1:37 p.m., the meeting was adjourned.)
MEETING OF:       TxDMV Board
LOCATION:        via Webex
DATE:            June 11, 2020

I do hereby certify that the foregoing pages, numbers 1 through 167, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Motor Vehicles.

DATE:            June 18, 2020

/s/ Nancy H. King
(Transcriber)

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