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,
August 6, 2020

BOARD MEMBERS:

Guillermo "Memo" Treviño, Chair
Charles Bacarisse, Vice Chair
Stacey Gillman
Brett Graham
Tammy McRae
John Prewitt
Paul Scott
Shelley Washburn

ON THE RECORD REPORTING
(512) 450-0342
## INDEX

<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Roll Call and Establishment of Quorum</td>
<td>9</td>
</tr>
<tr>
<td>2. Pledges of Allegiance - U.S. and Texas</td>
<td>9</td>
</tr>
<tr>
<td>3. Chair's Reports</td>
<td>10</td>
</tr>
<tr>
<td>Vice Chair Appointment of Finance and Audit Committee under Transportation Code, §1001.023(b)(8)</td>
<td></td>
</tr>
<tr>
<td>4. Executive Director's Reports</td>
<td></td>
</tr>
<tr>
<td>A. COVID-19 Disaster Response</td>
<td>12</td>
</tr>
<tr>
<td>B. Introduction of Deputy Executive Director - Daniel Avitia</td>
<td>16</td>
</tr>
<tr>
<td>C. Awards, Recognition of Years of Service, and Announcements</td>
<td>18</td>
</tr>
<tr>
<td>CONTESTED CASES</td>
<td></td>
</tr>
<tr>
<td>6. Denial of Application and Appeal to SOAH under Occupations Code, §2301.251(a), and §2301.651(a); Transportation Code, §503.034(a)(1); and 43 Texas Administrative Code §§215.88(c), 215.89(b)(8), and 215.141. MVD Docket Case No. 19-0007745.ENF, SOAH Docket No. 608-19-6053.ENF. Texas Department of Motor Vehicles v. Alvina Taylor, D/B/A A&amp;J Imports, LLC.</td>
<td>29</td>
</tr>
</tbody>
</table>

### RULES - PROPOSALS

| 8. Chapter 215, Motor Vehicle Distribution | 42 |
Amendments, §215.500
New, §215.504
Chapter 218, Motor Carriers
Amendments, §218.72
(Relating to SB 604, clarifying the refund authority for motor vehicle buyers and lessees; refund to a consumer who paid the motor carrier to transport household goods)

9. Chapter 221, Salvage Vehicle Dealers
New §221.96, Cease and Desist
(Relating to SB 604, establishing process under which board may issue a cease and desist order to prohibit a person from violating statutes, board rules, or board orders, after notice and an opportunity for a hearing)

10. Chapter 209, Finance
Amendments, §209.23
Chapter 219, Oversize and Overweight
(Relating to HB 61, escort flag vehicles including the use of certain lighting equipment; removing escrow account payment for certain types of permits)

11. Chapter 219, Oversize and Overweight Vehicles and Loads
Amendments, §219.31 and §219.126
Repeal, §219.83
(Relating to HB 2620, movement of oversize or overweight vehicles and enforcement of motor vehicle size and weight limitations)

12. Chapter 206, Management
New, §206.151
Chapter 223, Compliance and Investigations Division
New, §223.101
(Relating to SB 604, risk-based monitoring and prevention of title and registration fraud)

13. Chapter 206, Management
Amendments, §206.22
Chapter 215, Motor Vehicle Distribution
Amendments, §215.22 and §215.55
New, §§215.59 - 215.63
(Relating to SB 604, new Occupations Code §2301.709(d), contested cases; and a petition for rulemaking)
(Informal Working Draft and Request for Informal Comments on Rules Relating to Contested Cases;
RULES - ADOPTIONS

14. Chapter 217, Vehicle Titles and Registration Amendments, §217.144
   (Relating to SB 604, new Transportation Code Chapter 1006, rename Automobile Burglary Theft Prevention Authority to Motor Vehicle Crime Prevention Authority)

15. Chapter 217, Vehicle Titles and Registration Amendments, §217.182
   (Relating to HB 1548, new Transportation Code §551A.052, Registration; license plates; incorporate legislation to add a new transaction type)

BRIEFING AND ACTION ITEMS

16. Finance and Audit Committee Update
   A. Consideration and Possible Recommendation for Action to Full Board:
      1. FY 2022-2023 Legislative Appropriations Request, Baseline, and 100
      2. FY 2021 Recommended Annual Operating Budget 105
      3. FY 2021 First Six Month Internal Audit Plan 111
   B. Briefing Items
      1. Financial Impacts of COVID-19 on TxDMV 114
      3. Internal Audit Division Status Report 121

17. Legislative and Public Affairs
   A. Legislative Plans for the 87th Legislative Session 122
   B. Alternatively Fueled Vehicle Study Update 126
   C. Digital License Plate Implementation 128
Timeline Update

18. Appointment of Delegees to Act in the Absence of the Executive Director

EXECUTIVE SESSION

19. The Board may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code, Chapter 551:
   Section 551.071
   Section 551.074
   Section 551.076
   Section 551.089

20. Action Items from Executive Session

21. Public Comment
   none

22. Adjournment
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 8:01 a.m., and I am now calling the Board meeting for August 6, 2020 to order. Will all board members please make sure their video is turned on.

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 the Secretary of State on July 29, 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 specified meeting locations. Under that suspension, the public will not be able to specifically 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 the Secretary of State.

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 meeting 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 any background noise.

I would like to remind all participants that this is a telephone conference call. 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 meeting, 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 an 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's administrative rule, comments to the board will be limited to three minutes, then the call will be muted. Comments should be pertinent to the issue 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 to our board meetings. 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 timing or presentation rules I just discussed. Disruptive speakers will be muted, given a warning about disruptive behavior, then removed from the meeting for any continued disruption.

And with that, I'd like to call the roll, our
first agenda item.

   Board Member Bacarisse, are you here?
   
   MR. BACARISSE:  Present.
   
   MR. TREVIÑO:  Board Member Gillman?
   
   MS. GILLMAN:  Present.
   
   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?  Member Scott?
   
   MR. SCOTT:  Here.
   
   MR. TREVIÑO:  Board Member Washburn?  Member Washburn?
   
   MS. WASHBURN:  I'm here.  Can you hear me?
   
   MR. TREVIÑO:  Great.  Yeah, and we see you now.
   
   Thank you, Member Washburn, for responding.
   
   And let the record reflect that I, Member Treviño, am here too.  We have a quorum.
   
   Now we move on to agenda item 2, the pledges of allegiance.  Before we begin, I ask that the board and other participants please turn off your audio and 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 of allegiance.

(The Pledges of Allegiance - U.S. and Texas
were recited.)

MR. TREVIÑO: Okay. Great. Parker, thank you
very much again for leading us. It's always a pleasure to
have you.

Thanks, Jeremiah.

MR. KUNTZ: You're welcome.

MR. TREVIÑO: Well done, well done. How do you
top that?

Okay. Let's see, we'll go to the chair's
reports. So the Transportation Code requires the board
chair to appoint a member of the board subcommittee to act
in the absence of the board subcommittee chair.

And referring to the Finance and Audit
Committee, chaired by Member Graham, in discussions with
Member Graham, we have decided to ask Member Gillman if
she would be willing to serve in the capacity as vice
chair of Finance and Audit.

And Member Gillman, are you willing to serve in that capacity?

MS. GILLMAN: Yes, sir, happy to. It will be my honor.

MR. TREVIÑO: Great. Well, we're very fortunate to have you on the board and very fortunate to have you as vice chair.

And Member Graham, thank you for that excellent suggestion. Well done.

Okay. Well, the last thing on my chair report is we have a lot of agenda items to go through today, and there are a lot of rules that the staff have worked really hard on, but one thing I just would like to mention -- and I know the board is aware of this -- is that even though it may be a very quick line item, we spend a very little amount of time on it, it came up yesterday having to do with Jimmy Archer talking about escort flag vehicles.

There's a lot of work that goes into these items, and I would just like to recognize all the hard work that staff does on these things, and even though we just kind of get just a glance at it and move through it very quickly, I would like to recognize the amount of work that goes into each one of these agenda items and thank staff for their hard work.
Even though we don't have a chance to do that on each individual item, the board is well aware of how hard you guys work on all these items. So thank you very much.

Now with that, I would like to turn it over to Executive Director Whitney Brewster for agenda item number 4.

Ms. Brewster.

MS. BREWSTER: Thank you, Mr. Chairman. And thank you very much to the board for recognizing the amount of work that goes into the items that we bring to you. Very much appreciate your support and recognition. And I, too, want to express my gratitude to staff for all of the work that goes into putting the information before the board. So thank you very much to the TxDMV staff.

Good morning, Mr. Chairman, board members. I appreciate the opportunity to brief the board on various items going on at the agency, starting with the COVID disaster response.

Revenue impacts of COVID-19 will certainly be discussed under the Finance and Audit Committee meeting portion of this agenda, so I won't go into that during this report, but I'll talk more about the operational impacts and the activities.

So we continue to remain at about 75 percent of
our workforce telecommuting and about 25 percent in our offices, either in the regions or at headquarters, making sure that operations continue, mail is processed, things of that nature.

Our regional service centers remain open to the public, with staff performing those in-person transactions. We are still appointments-based only, we're only offering via appointments because this is a critical way for us to be able to monitor the flow of people going in and out of the offices, certainly for social distancing purposes, and this has worked very well.

Additionally, we have rolled out new technology to all of the regional offices that allow customers to check in from vehicles upon arrival and to be notified once it is their turn to go into a facility to have their transaction completed.

I do want to make sure to thank VTR and our IT staff for working so hard to make sure that that new functionality was possible.

And to date, just in terms of the number of incidents we have had within the TxDMV staff, we have had 15 employees test positive for COVID-19, none of which have been linked to exposure in the workplace. We have eight employees who have recovered from COVID-19, and we currently have seven employees that are self-quarantining.
And we're closely monitoring our employees when it comes to COVID-19 and work hard to work with our managers and employees when one of our employees has a positive or a presumed positive case.

Now, in response to these positive cases and to minimize exposure to customers, we have continued in this very heavy telecommuting phase. We have shut down and de-fogged offices in the regions and floors of headquarters, and since March we have shut down and de-fogged 16 offices or floors, and again, this is since March.

And because we know that this is a very strange time for our employees, we have held a couple of town hall meetings for all employees, as well as a separate one for managers, where they have had the opportunity to ask questions and to learn more about COVID-19 on staffing levels, interviewing, bringing on new hires.

We also have two more town halls scheduled for tomorrow to keep our employees in the loop on how the agency is responding and what resources that they have available to them. And I want to make sure that the board is aware that we are continuing to look at ways that we can provide services virtually.

And speaking of new hires, as I said earlier, we've brought on over 50 new TxDMV colleagues since April
1st. And certainly starting a new job is always a significant change but starting a new job during a pandemic is certainly not any easier, and I am very thankful for our HR team for quickly finding a way to bring new employees on virtually, and thanks to our HR and IT teams for developing processes to onboard and get folks equipment to start their career with our agency.

And just one other thing that I will mention before I complete this portion of my report. The Motor Vehicle Crime Prevention Authority, they provide in-person Texas Commission on Law Enforcement, or TCOLE, training for motor vehicle crime investigators, and this training is one of only two ways for investigators to be credentialed to perform confidential VIN inspections.

And because of the pandemic, MVCPA and our TxDMV Training Advisory Committee received authorization from TCOLE to provide virtual training statewide, and this is the first live interactive training ever authorized by TCOLE. We've gotten really great feedback from the law enforcement community for providing those services.

So things are continuing to move forward. We're looking at ways that we can continue to provide services to customers, our stakeholder groups as well, in a more virtual way.

And so with that, Mr. Chairman, I'm happy to
answer any questions that the board has.

MR. TREVIÑO: Thank you, Ms. Brewster.

Does any member of the board have any questions for Ms. Brewster?

(No response.)

MR. TREVIÑO: Being none, one thing I would like to commend you, and your HR director, Matthew Levitt, is the focus on wellness as well during this crisis. I know it's a difficult thing to do, but at least it's something that you guys are focused on and I have to commend you on that because these are stressful times for everyone. Not only onboarding people, bringing people on, but also thinking about the wellness of your team members that are spread all over the state speaks well of you and your team, so I just want to commend you for that.

MS. BREWSTER: Thank you, Mr. Chairman, and thank you for your support and your leadership in that area and continuing to push the agency on continuing to look at wellness, the complete package when it comes to our workforce. So thank you for that.

MR. TREVIÑO: Certainly.

Okay. So anything else, Ms. Brewster?

MS. BREWSTER: Yes, sir, just moving on to item 4.B. For this next item I'm going to introduce a man who you all already know him very well, but I want to...
introduce him formally to you with his new role in the organization.

Daniel Avitia was selected to serve in the newly created deputy executive director position, in addition to Shelly Mellott. Prior to this position Daniel served very, very well in our Motor Vehicle Division director position for six years. He is a lifelong Texan.

Daniel began his career in state government over 25 years ago. He has held various director and administrator positions in state government agencies, including the University of Texas at El Paso, the Department of Assistive and Rehabilitative Services, the Texas Health and Human Services Commission, and the Texas Department of Agriculture.

And in his new role Daniel oversees the day-to-day operations of the department's administrative and motoring services divisions which include Finance and Administration, Human Resources, Information Technology Services, the Motor Vehicle Division, and the Office of Administrative Hearings, and you can find a complete bio for Daniel in the board book.

So please join me in congratulating Daniel on his very well-earned promotion.

(Applause.)

MR. TREVIÑO: Hear, hear. Well done.
Would you like to say a few words?

MR. AVITIA: I sure can. Thank you for the opportunity.

Chairman, members, Ms. Brewster, thank you again, and good morning.

I am sincerely honored and excited to continue my journey with the DMV in this new capacity. I've thoroughly enjoyed being and serving as the Motor Vehicle Division director for the last six years, certainly look forward to leveraging my expertise in customer service, finance, human resources and relations and information technology, all in an effort to continue to advance the agency's mission and goals, as well as to continue supporting TxDMV customers, both internally and externally.

Thank you again.

MR. TREVIÑO: Well, Daniel, thank you on behalf of the board, and you know, thank you very much for all you do for your fellow Texans and we're very happy that you're in that position.

MR. AVITIA: Thank you, Chairman.

MS. BREWSTER: Mr. Chairman, if I may complete my report with item 4.C.

MR. TREVIÑO: Please, yes.

MS. BREWSTER: All right. At this time we'd
like to recognize our employees who have reached a state
service milestone. We celebrate these employees as a show
of our appreciation for the years of service for the
citizens of Texas.

The following employee has reached 30 years of
state service, huge accomplishments: Tommy O'Connor from
our Vehicle Titles and Registration Division. Tommy is
not on screen but he is listening to us right now.

Tommy began his state career in 1990 as a
summer employee working in the accounting section of VTR
at the Texas Department of Transportation, and in 2009
Tommy transferred to the Finance and Administrative
Services Division of DMV.

He spent ten years in various accounting roles
in FAS before returning back to VTR in 2019, where he is
the division's statistician and he is responsible for
collecting and reporting on important statistical data,
including a lot of the information that comes to you in
your board books.

Tommy is always positive, he's upbeat and
willing to go the extra mile, and we are absolutely
delighted that he's part of the budget and research
services team in VTR.

Congratulations on 30 years of state service.
What an incredible milestone.
MR. TREVIÑO: Hear, hear. Thank you, Tommy.

Thirty years statistically is rare. So thank you for your service and also for your tenacity. Thank you for staying with the stable serving Texans for 30 years.

MS. BREWSTER: Thank you, Mr. Chairman.

And the following employees reached a state service milestone but are not able to join us this morning. With 20 years we have Lillie Stembridge in our Motor Carrier Division, and Lance Petri in the Finance and Administrative Services Division. With 25 years we've got Kristy Schultz in our Motor Carrier Division. With 35 years we have Kenny Corzine in our Information Technology Services Division, and Darlene Hancock in our Finance and Administrative Services Division.

And last, but certainly not least, the following employees recently retired from the department: Chuckle Harris in our Finance and Administrative Services Division, Candy Southerland in our Vehicle Titles and Registration Division, and Patti Racicot also in our Vehicle Titles and Registration Division.

And with that, Mr. Chairman, that completes my report. Thank you.

MR. TREVIÑO: Thank you, Ms. Brewster

Kenny Corzine and Darlene Hancock have 35 years, so they're five years ahead of Tommy O'Connor. Is
that correct?

MS. BREWSTER: That is correct. That sounds a bit like a challenge, Mr. Chairman.

MR. TREVIÑO: That is. That's collectively 100 years of service to Texans.

MS. BREWSTER: That's amazing.

MR. TREVIÑO: That is amazing. So thank you very much for all you do for the department and for the state. Thank you.

Does that conclude your report?

MS. BREWSTER: Yes, sir. Thank you.

MR. TREVIÑO: Great. Does anybody on the board have any questions for Ms. Brewster.

(No response.)

MR. TREVIÑO: Great. We'll now move on then to contested cases, agenda item number 5. Before we move to the contested case presentations, we'll hear from our general counsel, Tracey Beaver.

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

Before we begin the presentations for the contested cases, I wanted to let the board know that each party has been allowed a ten-minute presentation time and five-minute rebuttal. We'll begin with Mr. Avitia and then Mr. Lloyd.
Thank you.

MR. TREVIÑO: Thank you, Ms. Beaver.

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

MR. AVITIA: Chairman, thank you. Again, good morning, members, Ms. Brewster. For the record, I'm Daniel Avitia, deputy executive director of the Texas Department of Motor Vehicles.

Mr. Brian Coats with the Enforcement Division is the attorney that represented the department at the State Office of Administrative Hearings on this matter.

Agenda item 5 can be found on page 10 of your board books.

It is a contested case regarding TxDMV v. Johnnie Lloyd, d/b/a Five Start Motors and More. This morning will be asking the staff to issue an order that aligns with the ALJ's proposal for decision to approve Five Star Motors and More GDN application.

Mr. Lloyd applied for a GDN license in 2019. In the criminal history section of the application he provided information about one felony conviction. The standard background check identified two other convictions that he did not disclose on his application. He then was asked to disclose the details and provide the evidence of fitness.

Ultimately, the Licensing Committee denied Mr.
Lloyd's license application after reviewing the circumstances, including the mitigating facts and information provided by Mr. Lloyd at the time. Key factors for originally denying licensure included: failure of Mr. Lloyd to originally disclose a complete criminal history on his application; Mr. Lloyd's multi-year prior serious felony convictions which were directly related to the licensed occupation; as well as insufficient evidence of rehabilitation.

Moving forward, additional evidence of rehabilitation was provided at the hearing, to include two letters of recommendation, proof of court fee payments, and a completion certificate for substance abuse treatment dated February of 2015.

Based on all the new evidence Mr. Lloyd provided at the hearing, the ALJ found that Mr. Lloyd had rehabilitated himself and is fit for licensure and recommends the license be issued to him. Staff believes the ALJ's analysis and the conclusions of law reached in this case are certainly reasonable.

After consideration of the applicable law and all the additional information and evidence provided in the hearing, staff is asking the board again to issue a final order which concurs with the ALJ's proposal for decision to approve Mr. Lloyd's GDN license application.
I believe Mr. Lloyd did receive notice of this meeting and is currently present to provide comments this morning.

Members, this concludes my remarks on this matter. Thank you.

MR. TREVIÑO: Great. Thank you, Mr. Avitia. Any questions from board members?

(No response.)

MR. TREVIÑO: Okay. Hearing none, before we proceed, will the meeting host please move Mr. Johnnie Lloyd to panelist so that he can have his video and audio on. As soon as that's done, we'll proceed with the presentation from Mr. Johnnie Lloyd. Let me know when that's available and Mr. Lloyd is ready to go.

How will we know? Will they let us know on that?

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

Yes, Mr. Chairman, I understand that our agency is currently working to get Mr. Lloyd unmuted.

MR. TREVIÑO: Great.

(Pause.)

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

Mr. Lloyd, it looks like you are now unmuted.
Would you like to proceed with your presentation?

MR. LLOYD: Yes, ma'am.

MR. TREVIÑO: Welcome, Mr. Lloyd.

MR. LLOYD: Hey. How are you doing?

MR. TREVIÑO: Good, well. And you?

MR. LLOYD: I'm all right.

MR. TREVIÑO: Great. You can proceed with your presentation. You're live on the board here now so you're welcome to start your presentation any time you like.

MR. LLOYD: Well, I just -- I don't really have much to say; I was just listening in.

MR. TREVIÑO: Okay, great. Well, all right then.

So we'll just proceed with the -- Tracey, Ms. Beaver, would that conclude his presentation then?

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

Thank you, Mr. Lloyd, for being available.

And of course, Chairman, if you would like the board members to ask Mr. Lloyd any questions, that would be also possible.

MR. TREVIÑO: Thank you. Okay.

Thank you, Mr. Lloyd.

Any questions from board members?

MR. LLOYD: No, sir.
MR. TREVIÑO: How about Texas DMV board members, any questions?

MR. LLOYD: No, sir.

MR. TREVIÑO: Okay. Mr. Lloyd, do you have anyone else presenting on this case?

MR. LLOYD: No, sir.

MR. TREVIÑO: Okay. All right then. If there are no more questions, will our meeting host please move Mr. Johnnie Lloyd to attendee again.

All right. Does anybody have any other questions?

(No response.)

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

MR. SCOTT: Mr. Chairman, Member Scott.

MR. TREVIÑO: The chair recognizes Member Scott.

MR. SCOTT: I move the board uphold the SOAH's PFD and adopt the findings of fact 1 through 25 and conclusions of law 1 through 11 in the proposal for decision.

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

MR. BACARISSE: Second.

MR. TREVIÑO: We have a second from Member
MR. BACARISSE: Mr. Chairman, if I may?

MR. TREVIÑO: Yes, Member Bacarisse.

MR. BACARISSE: I just want to make a comment.

Serving for 13 years as district clerk, I've watched so many criminal defendants come through the criminal court system, and I'll tell you, very few of them were able to discharge their fines and their other obligations through probation and so forth fully, and I'm impressed that Mr. Lloyd has made this effort and has really seemingly turned a corner in his life. And so I appreciate him, and I wanted to say that that's important and I appreciate his willingness to really be serious about taking a different direction in life. So I commend him for that.

MR. TREVIÑO: Well said, Member Bacarisse.

Is there any further discussion or any further comments?

(No response.)

MR. TREVIÑO: Hearing none, I would 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? Member Washburn? Are you on the line, Member Washburn? Did we lose you? Oh, I see you nodding your head; I'd say that that is affirmative, I take that as a yes, I take that as a very emphatic yes.

MS. WASHBURN: Yes.

MR. TREVIÑO: And I, Chairman Treviño, vote yes as well. Let the record reflect that it's unanimous and the motion carries.

And I would also like to add my respect for Mr. Lloyd and also that this board expects great things from him, and we appreciate all his hard work.

Congratulations, Mr. Lloyd.

All right. We're going to move on to agenda item number 6, another contested case.

Before we proceed with the contested case, we will hear from our general counsel, Tracey Beaver.
MS. BEAVER: Thank you, Chairman, board members. This is Tracey Beaver, general counsel, for the record.

I just wanted to let everyone know that the parties were given ten-minute presentation and five-minute for rebuttal as well, and we'll begin with Mr. Avitia, and then we have Ms. Taylor who is also able to provide her input and presentation as well after Mr. Avitia.

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

Daniel Avitia will now address agenda item number 6.

Somebody has got their mic on, I'm not sure who it is.

(Background noise from Mr. Graham's mic.)

MR. TREVIÑO: All right, Mr. Avitia.

MR. AVITIA: Certainly. Chairman, members, Ms. Brewster, again for the record, Daniel Avitia, deputy director of the Texas Department of Motor Vehicles.

Mr. Damian Shores with the Enforcement Division is the attorney that represented the department at the State Office of Administrative Hearings on this specific matter.

Agenda item 6, which can be found on page 23 of your board books, is the contested case regarding TxDMV v. Alvina Taylor, d/b/a A&J Imports, LLC. Staff again will
be asking the board to issue a final order which concurs with the ALJ's PFD to approve A&J Imports' application for a GDN license.

Ms. Taylor is the spouse of Jason Taylor.

Jason Taylor applied for a GDN under the business name of All Seasonz Imports, LLC, listing Ms. Taylor as 50 percent owner and Mr. Taylor as 50 percent owner.

Mr. Taylor withdrew his application after being informed the department intended to deny his license. The department's decision to deny the license was based on Mr. Taylor's failure to disclose criminal history and the extent of the criminal history.

Now, Ms. Taylor then applied for a GDN license under business name A&J Imports, LLC, listing herself as 100 percent owner. The Texas Administrative Code allows for the department to deny a license application if the applicant is affiliated with a person who is otherwise ineligible for a license.

Now, based on the evidence presented at the hearing, the ALJ found that Mr. Taylor and Ms. Taylor are eligible for a license and that Mr. Taylor has rehabilitated himself and as well is also fit for licensure and recommended that the license be issued to Ms. Taylor.

After consideration of the applicable law and
the facts in this case, staff is asking the board to issue a final order which concurs with the ALJ's proposal for decision to approve Alvina Taylor, A&J Motors, LLC application for a GDN license.

Ms. Taylor did receive notice of this meeting and is present to provide comments today.

Members, this concludes my remarks on this matter.

MR. TREVIÑO: Thank you, Mr. Avitia.

Any questions from board members?

(No response.)

MR. TREVIÑO: Okay. Before we proceed, will the meeting host please move Ms. Alvina Taylor to panelist so she can have her audio and video on. We will now proceed once that's set up with a presentation from Ms. Alvina Taylor.

MS. TAYLOR: Can you hear me?

MR. TREVIÑO: Yes, ma'am.

MS. TAYLOR: I want to tell you that I just wanted to give you guys my presentation, and I want to thank you guys for the opportunity. This has been a long run, we've been waiting on this for a long time, and I just want to thank you guys.

MR. TREVIÑO: All right, Ms. Taylor. Welcome and thank you for your comments.
Do any board members have any comments for Ms. Taylor, questions? No?

(No response.)

MR. TREVIÑO: All right then. Thank you, Ms. Taylor. Do you have anyone else presenting on this case?

MS. TAYLOR: No, sir, just myself.

MR. TREVIÑO: Great. If there are no questions, I guess we're going to ask the meeting host to please move Ms. Taylor to attendee. That way you can hear the outcome here. I hear no questions, so there's no questions for you.

So thank you very much for coming and speaking to the board.

MS. TAYLOR: Thank you for having me.

MR. TREVIÑO: Yes, ma'am.

Okay. Any other questions or comments?

(No response.)

MR. TREVIÑO: Okay. Then hearing none, the chair would entertain a motion. All right. Don't everybody jump in at once.

MR. PREWITT: Mr. Chairman, this is John Prewitt, board member.

I hereby move that we concur with the staff recommendation and adopt the findings of fact and conclusion of law in the proposed decision in the
administrative law judge's proposal for decision, as amended in the ALJ's exception letter, and approve Alvina Taylor, d/b/a A&J Imports' application for a motor vehicle dealer's general distinguishing number.

MR. TREVIÑO: Great. We have a motion from Member Prewitt. Thank you, Member Prewitt.

Do we have a second?

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

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

Is there any discussion, any questions?

(No response.)

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

Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Member Gillman, is that a yes?

Okay. I'll take that as a yes.

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?

MS. WASHBURN: Aye.

MR. TREVIÑO: Okay, good. And I, Chairman Treviño, also vote yes. Let the record reflect that it is a unanimous decision.

Ms. Taylor, congratulations. Thank you very much for all your hard work, and we expect great things from you.

All right. So now we're going to move on to rules. We'll be taking up agenda item number 7, CPAC recommendations, today. First we'll hear from our general counsel, and then we'll hear from the Consumer Protection Advisory Committee's presiding officer, Laird Doran.

Meeting host, will you please move Mr. Doran from attendee to panelist where he may have his video and audio turned on.

MS. BEAVER: Chairman, members, Ms. Brewster, good morning. For the record, I'm Tracey Beaver, general counsel.

The board appointed the Consumer Protection Advisory Committee and charged them with using their expertise to provide recommendations to the board to ensure stakeholder and consumer involvement and public
transparency in policy issues including rulemaking.

This particular agenda item pertains to CPAC's recommendation regarding the definition of refund for rules. The next agenda item is the rule proposal for refunds.

CPAC met again after hearing policy discussions by the board regarding refunds and after new members were appointed to the committee during the last board meeting, including household goods movers and motor vehicle dealer representatives. CPAC came up with an independent recommendation on the definition of refunds based on their discussion, and their presiding officer has kindly agreed to present that recommendation to the board today.

Members, this concludes my remarks. Thank you. And I'll now turn it over to CPAC Presiding Officer Doran.

MR. TREVIÑO: Thank you, Ms. Beaver.

And welcome, Mr. Doran. Good to see you.

MR. DORAN: Good to see you. Good morning, Mr. Chairman, board members, Ms. Brewster. My name is Laird Doran, and I serve as the presiding officer for the Consumer Protection Advisory Committee, known as CPAC.

CPAC would first like to take a moment to thank you all for giving us an opportunity to provide our expertise and our input for rulemaking with the
committee's recommendation on the definition of refunds. The CPAC committee met several times and on June 25, 2020 concluded our discussion on the definition for rulemaking on refunds by the motor vehicle dealers and motor carriers transporting household goods.

At our June 25, 2020 meeting, the newly appointed franchised dealers and household goods movers representatives on CPAC participated with the rest of the committee in the various discussions regarding the parameters of the definition of a refund to be considered by staff when drafting the rule.

The parameters of the definition of refund that CPAC is recommending today were recommended by CPAC Member Carol Smith, who made the motion, which was seconded by Member Rick Cavender. The vote for the parameters of the definition of refund was approved unanimously by the CPAC membership.

CPAC's recommendation is also incorporated into the rule proposal being presented by the department and is as follows: "A refund constitutes the return or repayment of consideration. Under Section 2301.807, a refund is limited to the amount paid by the consumer and without inclusion of any additional consideration of damages or harm."

Mr. Chairman, members, and Ms. Brewster, that
concludes my presentation.

MR. TREVIÑO: Thank you, Mr. Doran, and thank you for your service to the citizens of Texas.

Are there any questions for Mr. Doran?

(No response.)

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

MS. BEAVER: Tracey Beaver, general counsel.

There are no comments from the public on this agenda item.

MR. TREVIÑO: Okay. So no comments from the public, so hearing none, I guess the chair would entertain a motion.

Is that Member Washburn? I can see your lips moving but I can't hear anything.

MS. WASHBURN: Okay, let's try this. Can you hear me now?

MR. TREVIÑO: Yes, I sure can.

MS. WASHBURN: Mr. Chairman, Member Washburn here.

I move that the board adopt the Consumer Protection Advisory Committee recommendation for the department to incorporate into the development of their proposed rule.

MR. TREVIÑO: Great. We've got a motion from
Member Washburn. Do we have a second?

MS. McRAE: I'll second.

MR. TREVIÑO: We've got a second from Member McRae.

Any further discussion?

(No response.)

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

Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Member Gillman? Member Gillman?

(No response.)

MR. TREVIÑO: Well, I don't see Member Gillman's video on either, so I think we'll come back there in a second here.

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?

MS. WASHBURN: Aye.
MR. TREVIÑO: And I, Chairman Treviño, also vote aye. Member Gillman, one more time, are you back with us? (No response.)

MR. TREVIÑO: I don't see Member Gillman, and I don't hear anything from her. Tracey, should we just leave it as a question mark? We've got more votes for, so we don't necessarily need her vote.

MS. BEAVER: Mr. Chairman, Tracey Beaver, general counsel, for the record. It looks like Member Gillman has dropped off the call. If you'd like to take a five-minute break so that she might try to get her technology working before we move on to the next agenda item, that would also be an option.

MR. TREVIÑO: Great. But we can close this out now, right, leave her as unavailable, I guess, on the vote, or abstain?

MR. GRAHAM: Abstain.

MR. TREVIÑO: We've got seven votes for, and one abstention, so the motion carries. If we get Member Gillman back, we'll circle back and ask her if she's okay with it. Right? But the motion carries nevertheless.
Okay. Again, I would like to thank the members of CPAC for their hard work and participation on this committee. Keep up the great work.

And will the meeting host please move Mr. Doran back to attendee role.

Again, Presiding Office Doran, thanks again for all you do for the citizens of Texas.

And Tracey, I guess we'll take a couple-of-minute break here to try and get Member Gillman back on.

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

If you'd like to take a break, just mention the time that the break starts, how long the break will be, and we can turn off audio and video.

MR. TREVIÑO: Okay. Then we'll take a five-minute break. It's approximately 8:46, so we'll be back in session around 8:50.

Thank you.

(Whereupon, at 8:46 a.m., a brief recess was taken.)

MR. TREVIÑO: It's approximately 8:55, and I guess we're back in session. Is everybody with us?

Member Gillman, let me fill you in on what happened while you were gone. We discussed the last issue, went for a vote. We had you as an abstention, it
was a seven to one abstention vote. Would you like to vote aye on the last thing on the CPAC rules issue?

    MS. GILLMAN: Yes.

    Laird, are you still there? Laird?

    MR. TREVIÑO: I think he's gone.

    MS. GILLMAN: Oh, man. Well, I just wanted to comment and say, you know, I've read through the CPAC definition of refund, of course, and the work that they did and I just wanted to say thank you to the CPAC and also the staff that participated as well, and I wanted to congratulate Laird on a much better work product that I wholeheartedly endorse, and I wanted to give my vote aye. So take me as a not abstention but I'm an aye.

    MR. TREVIÑO: So let the record reflect that this vote is now unanimous, and I'd like to speak for the rest of the board here and say that I'm glad that your comments were worth waiting for, and yes, we concur that their work was terrific, they did a great job.

    So great to have you back, Member Gillman.

    MS. GILLMAN: Thank you.

    MR. TREVIÑO: Let's move on to agenda item number 8. We'll now hear proposals for Chapters 215 and 218. I'll turn it over to Corrie Thompson and to Brian Ge.

    Corrie, Brian, you here?
MS. THOMPSON: Good morning, Chairman. Can you see me?

MR. TREVIÑO: Yes.

MS. THOMPSON: Okay, great.

Well, good morning, Chairman Treviño and board members.

Welcome back, Member Gillman.

My name is Corrie Thompson. I am the director of the Enforcement Division, and I am presenting agenda item 8 which begins on page 47 in your board book.

Before you is a recommendation to approve the publishing of new Rule 215.504 as well as the publishing of proposed amendments to Rules 215.500 and 218.72 in the Texas Register for public comment.

The purpose of all three of the rules before you right now is to implement Senate Bill 604 which is, of course, our Sunset bill. That bill added the ability for the department to order refunds as a list of the available sanctions that the department can use, and they did that by adding language to Texas Occupations Code 2301.807 for motor vehicle dealers, and to Transportation Code 643.257 for motor carriers transporting household goods.

The topic was brought before the Consumer Protection Advisory Committee, as you just heard by Presiding Officer Laird Doran, and these rules are the
result of the discussions had with that advisory committee and those members.

So the rule language specifically starts on page 52 in your board books. Rules 215.500 and new 215.504 relate to refunds for motor vehicle buyers and lessees. 215.500 part (a)(5) simply adds refunds to the list of available sanctions, so that's adding refunds to penalties, the ability to deny, suspend or revoke a license.

And then in 215.504, the new rule, we're defining refunds, as Presiding Officer Doran said, as the return of any percentage ordered by the department of funds paid or contracted to be paid to a person, whether those funds are documented as a separate line item or part of the overall amount paid by the consumer. And it goes on further to say that a refund may include overpayments, fees paid for services not rendered, and payments made for products not delivered.

On page 59 of your board book starts the rule language for the motor carriers transporting household goods under 217.72, new subsection (d), which also similarly defines refund as the return of any percentage of funds paid or contracted to be paid to a motor carrier transporting household goods whether those funds are document as a separate line item or included in the
overall amount paid by a customer.

That again includes overpayments, fees paid for services not rendered, and fees paid for charges not listed on the household goods mover's tariff after the household goods mover takes possession of a consumer's property, and then ends with saying a refund does not include any consideration of damages or harm over the amount paid by the consumer, so similar to the motor vehicle rule.

There is no financial impact associated with any of the rules being proposed for publication in the Register for comment, so I will take any comments from the board, and if there are no comments, I would ask that the board approve publication of the proposed new rule and the amendments to the two additional rules.

MR. TREVIÑO: Great. Thank you, Ms. Thompson. Are there any questions for Ms. Thompson or Mr. Ge?

(No response.)

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.

MR. TREVIÑO: Okay. So hearing no comments or
questions, the chair would entertain a motion.

MS. WASHBURN: Mr. Chairman, Member Washburn here. Can you hear me?

MR. TREVIÑO: Yes, I can.

MS. WASHBURN: Okay, good. I think we've got this down now.

MR. TREVIÑO: Great.

MS. WASHBURN: So I move that the board approve agenda item 8 on the proposed amendments of Section 215.500 and Section 215.504 and the amendments of 218.72 for publication in the Texas Register for public comment.

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

We've got a motion from Member Washburn. Do we have a second?

MS. McRAE: I'll second.

MR. TREVIÑO: Member McRae. I've got a second from Member McRae.

Any further discussion?

(No response.)

MR. TREVIÑO: Hearing none, 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?

MS. WASHBURN: Aye.

MR. TREVIÑO: Great. And I, Chairman Treviño, also vote aye, so let the record reflect that the vote is unanimous and the motion carries.

We'll now move on to agenda item number 9 and turn it back over to Ms. Corrie Thompson.

MS. THOMPSON: Thank you, Chairman. Yes, I'm continuing on with agenda item 9. That next rule package begins on page 61 in your board books, and before you now is a recommendation to approve the publishing of New Rule 221.96 in the Texas Register, again for public comment.

This rule again relates to implementation of Senate Bill 604, the department's Sunset bill, which established a process under which the board may issue a cease-and-desist order to prohibit people who are engaging...
in unlicensed salvage dealer activities from violating any of the department's statutes, board rules or board orders, and that would happen after a notice and order for hearing.

It's a fairly simple one. We have cease-and-desist authority in other sections of our statute that pertain to motor vehicle dealers and to motor carriers, and so this is just adding that additional authority for the salvage section of code that we have.

Again, there's no financial impact associated with the proposal, so I'll entertain any comments, and if there are none, I would just ask that the board approve the publication of the proposed rule.

MS. BREWSTER: Whitney Brewster, executive director.

Mr. Chairman, I believe that you are muted.

MR. TREVIÑO: I apologize. Sorry about that. Are there any questions of Ms. Thompson?

(No response.)

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

MS. BEAVER: Tracey Beaver, general counsel.

No public comments.

MR. TREVIÑO: Okay. So hearing none and no discussion, the chair would entertain a motion.
MS. GILLMAN: Chairman Memo, I'd like to propose a motion. For agenda item number 9, I move that the board approve the proposed Section 221.96 for publication in the Texas Register for public comment.

MR. TREVIÑO: Thank you, Member Gillman. We've got a motion from Member Gillman. Do we have a second?

MR. PREWITT: Second.

MR. TREVIÑO: That's Member Prewitt?

MR. PREWITT: Yes.

MR. TREVIÑO: Great. Thank you, Member Prewitt. We've got a motion and a second. Any further discussion?

(No response.)

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

Member Bacarisse?

MR. BACARISSE:

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?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye, so the motion is unanimous and it carries.

And we will move on to agenda item number 10, regarding escort flag vehicles and escrow accounts. I will turn it over to Jimmy Archer and Linda Flores.

MR. ARCHER: Good morning, Mr. Chair and members of the board. For the record, my name is Jimmy Archer. I'm the director of the Motor Carrier Division. Agenda item number 10 is found beginning on page 67 of your board books.

First, for the board's consideration, Chief Financial Officer Linda Flores and I are presenting these proposed rule amendments to 43 Texas Administrative Code, Chapter 209.23 and Chapter 219 for publication in the Texas Register. These rule amendments are necessary to streamline department processes and improve program efficiency by eliminating two escrow payment methods for customers that purchase oversize/overweight permits.

First, the Texas DMV permit escrow account
requires department personnel to manually process payments, and a permit account card, which is an escrow account administered by Frost Bank, requires department personnel to reconcile payment records.

The department currently accepts the following methods of payment for oversize and overweight permits online through the Texas Permitting and Routing Optimization System, or TxPROS: credit card; automated clearing house, or ACH; check; money order; cashier's check; escrow account administered by the department; and the permit account card administered by Frost Bank.

A recent internal audit advisory service associated with accounts receivables identified escrow accounts as a concern, specifically, Finance and Administrative Services Division activates and deactivates escrow accounts and adds funds to escrow accounts as needed in TxPROS.

Eliminating these two types of payment methods will alleviate audit concerns and improve efficiency and that's possibly because the department implemented the automated clearing house option in TxPROS as a form of payment for all oversize and overweight in December of 2018.

When using this payment option the customer will use their own bank account to purchase permits. To
complete a transaction to purchase a permit, the customer will enter their account routing number and their bank account number, then the permit transaction will be processed.

There will be no correlating changes to facilitate this change. There is a benefit to the department in terms of alleviating risk by handling customer funds and a cost benefit to the Finance Division for personnel costs.

Ms. Flores can speak to these issues.

Linda, do you have any comments?

MS. FLORES: Thank you, Mr. Archer.

This is Linda Flores.

As Mr. Archer indicated, this is a very manual process for the Finance and Administrative Services staff. Approximately three people routinely have to reconcile or process refunds for the escrow accounts. Eliminating this payment will not cost consumers. In fact, there will be a savings to our escrow account holders, since they can process their permit request through ACH at no cost, and currently we do charge $5 per deposit every time a deposit is sent to the agency.

That concludes my remarks. Thank you.

MR. TREVIÑO: Great. Thank you very much.

MR. ARCHER: Thank you, Ms. Flores.
And for the board's information, I did speak to the Texas Trucking Association and to a few of our motor carriers who are so far up to this point in support of eliminating these two escrow options. The feeling among our customers is as long as they have an efficient way to purchase permits, they're fine with us eliminating these two particular types of payment methods.

The other part of this rule of item 10 is the escort flag vehicle rule. This is to conform our rules to House Bill 61. The rule will conform our rules to House Bill 61 by adding a definition for escort flag vehicle under the Transportation Code that allows escort flag vehicles the option of being equipped with alternating amber and blue lights and defines an escort flag vehicle as a vehicle that precedes or follows an oversize/overweight vehicle to facilitate safe movement of these vehicles on our roads.

I would ask that the board approve these proposed amendments for publication in the Texas Register, and I'd be happy to answer any questions you might have.

MR. TREVIÑO: Great. Thank you, Mr. Archer and Ms. Flores.

And again, as we talked about at the beginning of the meeting, the board does recognize how much work and how many stakeholders you have to talk to to make
something which sounds relatively simple on paper actually happen. So I know there's a lot of hard work that goes into this, so I thank you for that.

So any questions for Mr. Archer or Ms. Flores on these issues?

(No response.)

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

MS. BEAVER: Tracey Beaver, general counsel.

No comments from the public.

MR. TREVIÑO: Great. So hearing no comments or questions, the chair would entertain a motion.

MR. PREWITT: Mr. Chairman, this is John Prewitt, board member.

I would like to move that the board approve the publishing of proposed amendments to the Texas Register for public comment, in particular Chapter 219, Oversize and Overweight, Sections 219.2, 219.11, 219.13-219.15, 219.42, 219.43, and 219.61-219.63, relating to House Bill 61, escort flag vehicles, including the use of certain lighting equipment, removing escrow account payments for certain types of permits.

MR. TREVIÑO: Thank you, Member Prewitt.

So we have a motion from Board Member Prewitt. Do we have a second?
MS. WASHBURN: Mr. Chair, I second.

MR. TREVIÑO: Second from Member Washburn.

Any further discussion?

MR. PREWITT: Mr. Chairman, I would just like to thank Jimmy and Linda for the great work they've done on all these amendments. I appreciate their work, the industry does as well.

MR. TREVIÑO: Hear, hear.

Any further comments or discussion?

(No response.)

MR. TREVIÑO: Hearing none, 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?
MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye, so the motion is unanimous, it carries.

And this takes us on to agenda item number 11, and we'll turn it over again to Mr. Jimmy Archer.

MR. ARCHER: Thank you, Mr. Chairman.

Again, Jimmy Archer, director of the Motor Carrier Division. This is item number 11 and it's found at page 150 of your board books.

I'm asking that the board approve amendments to Chapter 219 to facilitate House Bill 2620. This would add a provision to Section 219.31 which would allow a vehicle with a timber permit to also load and carry equipment that is used to load timber.

It also adds a provision to Section 219.126 that allows the department to investigate and impose administrative penalties on shippers that fail to provide a shipper's certificate to carriers, and also repealing a section that duplicates language found in the Transportation Code. This language is inconsistent with the Transportation Code.

There is no fiscal impact to these amendments, and I would ask that the board approve these proposed amendments for publication in the Texas Register.

I'll be happy to answer any questions you might
have. Thank you.

MR. TREVIÑO: Great. Thank you, Mr. Archer.

Any questions for Mr. Archer?

(No response.)

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

MS. BEAVER: Tracey Beaver, general counsel.

No comment from the public on agenda item 11.

Thank you.

MR. TREVIÑO: Great. Thank you very much.

So hearing no discussion, the chair would entertain a motion.

MR. PREWITT: Mr. Chairman, this is Member Prewitt. I would like to make the motion that the board approve agenda item 11, which is approving the publishing of proposed amendments for Chapter 219, Oversize and Overweight Vehicles and Loads, amendments to Section 219.31 and Section 219.126, and repeal of Section 219.83 relating to House Bill 2620, movement of oversize and overweight vehicles, enforcement of vehicle size and weight limitations.

MR. TREVIÑO: Thank you very much, Member Prewitt, for moving this process forward.

Do we have a second?

MR. BACARISSE: Second.
MS. WASHBURN: Mr. Chairman, I second.

MR. TREVIÑO: Member Bacarisse beat you to it.

MS. WASHBURN: Okay.

MR. TREVIÑO: I've got a second from Member Bacarisse.

Thank you, Member Washburn, thank you for jumping in there.

Any further discussion?

(No response.)

MR. TREVIÑO: Hearing none, 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: Is that a yes?

MR. PREWITT: Yes.

MR. TREVIÑO: Yes. Okay.

Member Scott?
MR. SCOTT: Aye.

MR. TREVIÑO: Member Washburn?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote yes. The motion is unanimous and this motion carries.

I just want to go back. I know this it's a little bit tedious asking everybody for their vote, but this is a recommendation by counsel that in this forum that we actually record the votes of each member. Okay.

And that takes us into agenda item number 12.

I'll turn it over to Tim Menke.

MR. MENKE: Thank you, Mr. Chairman and board members, executive director Ms. Brewster.

Agenda item number 12 is an action item, and it's related to risk-based approach to monitoring and preventing fraudulent activity.

Mr. Chairman, this will be presented in two sections. I will specifically address the external-facing component of this which is Section 223.101, and my colleague, Sandra Menjivar-Suddeath, will specifically address Section 206.151 specific to the internal-facing risk-based approach to monitoring and preventing fraudulent activity. We are requesting approval to publish the proposed new sections in the Texas Register.
for public comment.

The Texas Department of Motor Vehicles proposes new 43 TAC 223.01 concerning an external risk-based system of monitoring and preventing fraudulent activity related to vehicle registration and titling in order to efficiently allocate personnel and resources.

In this section it's necessary to implement Transportation Code 520.004, as added by Senate Bill 604. Transportation Code 520.004 requires the department by rule to establish a risk-based system of monitoring and preventing fraudulent activity related to vehicle registration and titling in order to efficiently allocate resources and personnel. The requirement is included within the Sunset Advisory Commission's change in statute recommendation 2.4.

The Sunset recommendation envisioned that the department develop criteria to determine varying risk levels such as transaction volume and past violations to strategically allocate resources.

So specifically, the Compliance and Investigations Division will implement the following four measures: number one, establishing a risk-based system of monitoring counties and their contractors; number two, developing criteria to determine varying risk levels for the department's fraud monitoring functions and
strategically allocate resources and personnel; number three, review the department's methods for collecting and evaluating related information, including the viability of incorporating more remote transaction review practices in order to supplement periodic but less frequent onsite visits to counties; and finally, number four, developing and providing training to fraud investigation staff.

And I can report to you, Mr. Chairman, that we have already implemented these four measures and things are going well.

That concludes my portion regarding the external risk-based approach, and I'm happy to answer any questions that the board may have.

MR. TREVIÑO: Great.

Does anybody have any questions from the board?

MS. GILLMAN: I do.

MR. TREVIÑO: Member Gillman.

MS. GILLMAN: Yes, sir. I'm thankful that I've had the opportunity to sit on the Finance and Audit Committee and following the recommendations from Sandra, and I think that this identifying the high-risk areas of fraud and trying to have a good system to not only identify but come up with solutions is a really good one. I wholeheartedly support it, and I think that this will be a great thing for this agency.
MR. TREVIÑO: Great. Well said, well said.

Anybody else have any comments or questions?

(No response.)

MR. TREVIÑO: Ms. Menjivar-Suddeath, do you have any comments on this?

MS. MENJIVAR-SUDDEATH: No. Good morning, board members. For the record, Sandra Menjivar-Suddeath.

Mr. Menke did a great job in summarizing. I think the one thing to note is internal and external fraud teams are different and the various financial impacts are different as well, and so that's the need for the two separate rules.

MR. TREVIÑO: Great. Thank you very much.

Again, I know you're implementing Sunset, but I know you guys were working on this even before Sunset was involved, but can't thank you guys enough for looking at a risk-based approach to this and also to just fraud in general. It's part of our mandate, and I can't commend you guys enough for heading down this road.

Any further questions or comments?

MS. McRAE: Chairman, I have one question.

MR. TREVIÑO: Member McRae. Sure.

MS. McRAE: Will counties be provided a report to review prior to being turned over to the department?

MR. MENKE: Mr. Chairman, this is Tim Menke.
May I respond?

MR. TREVIÑO: Please, yes. Jump right in.

MR. MENKE: Thank you for the question. Yes, we have, first of all, developed COGNOS reports that we have sent out to the counties. Basically these were in-house reports that we use to review traditionally vulnerable areas we made available for the counties for their own internal review.

In addition to that, if there are vulnerabilities in the county that are not specifically related to fraud in which we have a law enforcement organization involved, we will work cooperatively with the counties so they can transition to a compliant status.

Currently 98 percent of the counties in Texas are compliant, we only have 2 percent that are not, and normally it centers around training issues, turnover, and maybe some sloppy recordkeeping. Very rarely is it linked to fraudulent activity, but it does happen.

If it is linked specifically to fraudulent activity and we have law enforcement involved, there's only so much we can relay to the tax assessor-collector, however, if there's not specific fraudulent activity, we will engage in full disclosure and our field service representatives will work collaboratively with the tax assessor-collectors in order to resolve the compliance
issue.

MR. GRAHAM: Thank you.

MR. BACARISSE: Mr. Chairman?

MR. TREVIÑO: Member Bacarisse.

MR. BACARISSE: I have a question. You said we're 98 percent compliant. I'm just curious to know how Harris County is doing.

MR. MENKE: Harris County is currently in compliance.

MR. TREVIÑO: There you go. All right. Member McRae, did that answer your question before? Are you satisfied?

MS. McRAE: Yes, it did. And I would also like to just thank the agency for the COGNOS reports that have been developed and the training that they have provided to the tax assessors. It's greatly appreciated, and it's been very official. So kudos to them for rolling those reports out to the counties. Thank you.

MR. TREVIÑO: Great. Thank you for that comment, Member McRae. Well said, well said.

So any other comments? Tracey, any comments from the public?

MS. BEAVER: Tracey Beaver, general counsel.

No comments from the public on this agenda item.

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

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

MR. TREVIÑO: The chair recognizes Member McRae.

MS. McRAE: I move that the board approve the proposed new Sections 216.151 and 223.101 for publication in the Texas Register for public comment.

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

MR. PREWITT: Second.

MR. TREVIÑO: Member Prewitt. We have a motion and a second. Any further discussion?

(No response.)

MR. TREVIÑO: If not, I would 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?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye, so the motion passes unanimously.

That takes us to agenda item number 13. I will now turn it over to General Counsel Tracey Beaver.

MS. BEAVER: Chairman, members of the board, good morning. For the record, I'm Tracey Beaver, general counsel.

Today I'm presenting proposed rules to implement Senate Bill 604 and Sunset Advisory Commission recommendations that require the board to establish rules for conduct and handling of contested cases coming before the board for final decision.

This includes specifying clear expectations limiting arguments and discussion to evidence from the hearing held by the State Office of Administrative Hearings administrative law judge.

In the staff report the final results, the Sunset Advisory Commission emphasizes the board does not
re-litigate contested cases, which would include actions such as allowing 20-minute oral argument for each party that would then turn into hours of discussion. SOAH proceedings provide for the parties to a contested case an opportunity to make arguments and produce evidence in accordance with standard processes under the APA. The board must base their final decisions on evidence from SOAH and are not to consider new issues or evidence.

These proposed rules before you today align with the Sunset Commission recommendations and Senate Bill 604. The proposed rules give parties in a contested case ten minutes to present their case with five minutes for rebuttal.

The proposed rules also provide parties the opportunity to submit presentations to the board which may contain the party's arguments and discussion of the evidence and laws; however, the proposed rules do not allow parties to submit proposed final orders. Doing so by rule would require the board to rule on each proposed finding or conclusion submitted by the parties to the case in their final order, which could result in the board spending a great amount of time in board meetings ruling on parties' proposals rather than focusing on the SOAH's PFD, the scope of the board's authority to take action on SOAH's PFD under Government Code Section 2001.058(e).
The department is requesting your approval to proceed with publication of these proposed rules in the Texas Register so that we may receive public comment. We did previously post these rules as informal rules on the website and received some informal comments, which may be found in your board books.

Members, this concludes my remarks. I'm happy to answer any questions. Thank you.

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

Are there any questions for Ms. Beaver?

(No response.)

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

Oh, wait a minute. Member Gillman has got her hand up, and also Member Graham has his hand up.

So Member Gillman, why don't you go ahead.

MS. GILLMAN: My comments are that while I'm fairly new to the board and have only heard a few cases, I feel like that there are times when a lawyer is presenting and we have (audio interference).

Mr. TREVIÑO: Member Gillman, one second. I really want to make sure we hear what you're saying. I'm not sure if somebody has got their -- if everybody mutes their lines, maybe it will give Member Gillman a clearer line.
MS. GILLMAN: Thank you.

So I was just saying that I think that there are times when the attorneys for a contested case may have a different conclusion than what the hearing officer had written, and while I very much respect that we don't want to re-litigate a case, I think that still within parameters of using the findings of fact and conclusions of law that lawyers should be able to present a new conclusion, a new proposed final order that may provide a different perspective and still completely on track with the evidence that had already been presented, not retrying a case, but I think it is important that counsel be able to submit those presentation materials.

And as far as the time allowance, you know, I know that these cases, some of them often go years and years and millions of dollars, so I feel like a twenty-minute presentation and then five minutes for rebuttal is a very easy extension to respectfully understand the time and effort and passion of these cases.

And when you're ready, Mr. Chairman, I have a motion.

MR. TREVIÑO: Great. Thank you for your comments, Member Gillman.

Member Graham, did you have a comment?

MR. GRAHAM: Am I off mute?
MR. TREVIÑO: Yes, you are.

MR. GRAHAM: Okay. Just kind of giving this some thought in reading through this last night, you know, in a lot of the contested cases that we hear the time allotted as proposed is very adequate in a lot of cases, but in the more complex cases -- and this is kind of what I was thinking about last night, you know, we occasionally have those cases that are very complex, have been going through the SOAH courts for years, sometimes years, and you know, it would be great if there was a way to have a distinction between the kind of cases, perhaps.

One of the questions I had for Tracey was in regards to what -- I know that one of the complications in the information that was given to me was that if we allow a rebuttal, a written rebuttal, so to speak, that it could open us to then having to determine findings of fact and conclusions of law of the rebuttals and then kind of take us down that path, but it was my understanding that they would still be allowed up to four pages to provide some type of a conclusion, a document of conclusion as to their thoughts on where they ended up.

Would you clarify for us, Tracey, what that would look like, what they would be allowed to propose or present to the board before the hearing in writing?

MR. TREVIÑO: Tracey.
MS. BEAVER: Tracey Beaver, general counsel.

Thank you for the question. Yes, the rule was drafted, the proposed rules do provide that the parties may submit presentation materials which can be in the form of documents or power point slides, whatever format they would like, and the content of those presentation materials can include any explanation of their case they would like to provide to the board, including what they disagree with or agree with in any SOAH PFD.

The parties will be able to provide all of that explanation to the board in consideration of that case in advance if they request to provide those presentation aids. The parties would not be prohibited from providing that information to help the board understand their case as long as it's information that's contained in the SOAH record and they refer back to where in the record it was contained.

The only prohibition would be that they can't specify the specific finding of fact or conclusion of law, because then that would put the board in the position under the Government Code to respond to each of those conclusions of law or proposed findings of fact in the board's order.

So we had a balancing act to allow parties to provide that context, explanation, and information for the
boards in their presentation materials without having a formal proposed final order submitted.

And on the second point I'd just like to mention the proposed rules do also provide the opportunity for the chairman to grant additional time to parties who are presenting their oral argument, specifically for those instances where the case might be a bit more complex than a routine case, so we did retain the chairman's discretion in the proposed rules for the oral presentation time.

MR. GRAHAM: Thank you. So they can -- you know, you're going to have one side that obviously disagrees with the result and you're going to have one side that agrees with the result, and if SOAH -- I'm still a little confused about they have four pages to make a case for why they disagree but in order to say what they disagree with, wouldn't they have to reference a finding of fact or conclusion of law that they felt like the ALJ interpreted incorrectly or some fact that they thought was concluded that was not correct? How would they do that without referencing a finding of fact or a conclusion of law?

MS. BEAVER: Tracey Beaver, general counsel.

Thanks for that follow-up question. The parties would be able to explain what they disagree with or agree with in the SOAH PFD by referencing the SOAH PFD
findings of fact and conclusions of law.

The parties would not be able to propose their own conclusions of law or findings of fact to the board. They would just be able to explain what they disagreed with in the SOAH's PFD. It provides more context to the board than presenting a draft final order in that format.

MR. GRAHAM: Okay. And again, I know this is legal stuff and I'm trying to follow. And so if they did want to -- well, not if they didn't want to, I'm sure every one of them, regardless of who they are, they're going to want to propose, you know, a conclusion that specifies exactly the wording. And so you said if they did that, then that would -- I mean, explain one more time if they do that that would lead to what, lead to us having to do additional research?

MS. BEAVER: So if the department by rule permits parties to submit proposed findings of fact or conclusions of law, the board is required by Government Code Section 2001.141 to rule on each proposed finding or conclusion submitted by the parties to the case in the board's final order.

If the parties just submit presentation materials explaining their thoughts, their evidence, their arguments to the board, referencing the existing SOAH PFD, that would be permitted. But the rule as it currently is
drafted prohibits parties from submitting proposed formal
final orders.

MR. GRAHAM: Thank you. And just to
conclude -- I know Member Bacarisse has a question, and I
really would like to hear some input from the other board
members on this and get their thoughts -- I know we just,
of course at the point in time that we originally heard
the case that went on for a very long time, it was the --
and I'm really just having thoughts out loud here as I
think through this -- our general counsel at that time
proposed, at the board's request, the written statement
that we made which ended up not being legally correct or
technical enough, and so, you know, it would be -- I think
it could be very helpful to understand, as a board member
with no legal expertise, maybe what they're thinking is on
that, but at the same time I understand that it could
create some other problems.

I'd love to hear some other board members'
opinions, so I'll back off here.

MR. TREVIÑO: Member Graham, thank you very
much for those comments and for following those thoughts
on down the line.

Member Bacarisse, go right ahead.

MR. BACARISSE: I just have a question.

First of all, thank you, Brett. I think you
bring up a lot of great points.

My question for Tracey is if a board -- our board or some future board were to begin taking up consideration of final orders presented to us, would we not then open up an opportunity for the other party to then appeal? In a sense, we're acting as a judicial body instead of in our administrative role if we begin actually considering final orders.

And then secondly -- well, really why don't you just comment on that question. You know, if we begin doing that, won't we open this up for further appeal and continuation of the litigation, in a sense?

MS. BEAVER: Tracey Beaver, general counsel.

Yes. Thank you for that comment. It definitely is a slippery slope, and that is definitely a possibility that the board could go down that line of opening a case up for more litigation.

State agencies are charged with following the APA Government Code Section 2001.058. If the board wants to change a finding of fact or a conclusion of law made by the ALJ at SOAH, the agency has to determine that the administrative law judge did not properly apply or interpret applicable law, rules, policies or prior administrative decisions, or that the prior administrative decision on which the ALJ relied on is incorrect or should
be changed.

So it's a very limited scope that the board can actually change a PFD, and if those proposed final orders from parties are permitted, there is a chance that they present additional findings of fact or conclusions of law that would not follow the scope of the board's authority to change a PFD.

MR. BACARISSE: I'm a big separation-of-powers guy. We're the administrative or the executive branch of government, they're the judicial branch, I'd like to keep those separate. I'm not a lawyer, I took the cheap way out and married one. But I don't want to begin trying to decide matters of the law in our meetings. I think that creates a tremendous challenge for us.

I do like the idea that the chair can, at his or her discretion, allow more time for discussion, and I think that there ought to be robust discussion and a lot of questions asked in these very contested cases so that we can get to the bottom of things as best we can as members.

I just have a concern about the actual act of receiving proposed orders for our consideration that go well beyond what has already been adjudicated by the administrative law judge.

That's my comment. Thank you.
MR. TREVIÑO: Thank you, Member Bacarisse.

Any other questions or comments?

MS. GILLMAN: I have a small comment.

MR. TREVIÑO: Okay, Member Gillman.

MS. GILLMAN: From my memory, in the last pretty big case the reason why it was back again before us was because the decision of the board was not as complete or thorough or specific as it should have been, and that's the reason it did come back to us.

And so I feel like having the attorneys for both sides, if they submit a corrected proposed final order that is perhaps more complete -- because I completely agree with you, Charles, I'm not a lawyer either, I don't know how to do it -- but if you allow the lawyers to write a complete, thorough and clear new proposed final order that will hold and that can be submitted, as long as they submit it ahead of time and giving both parties equal opportunity to review, I think it actually helps the board have decisions that stick so that they don't come back to us. And I just think it is important to allow those presentations, because often it becomes more refined and more specific so that it will hold.

So I'm learning from that last big case that allowing the presentation materials may have -- in the
future will aid the board in making a more firm decision so that they don't come back. And I just feel like the board needs to be able to hear the perspectives of the attorneys that may be different than the hearing judge, hearing officer.

And I also appreciate that the chairman should have discretion to go longer if he wants to. Yes.

MR. TREVIÑO: Great.

Member Graham? Member Graham, you had your hand up?

MR. GRAHAM: Sorry. I was on mute.

MR. TREVIÑO: You're good.

MR. GRAHAM: Just a quick comment, and I know Shelly has a comment, I want to leave her plenty of time.

No question, in response to Member Bacarisse's statements, no question that I would expect that in most cases the board would usually uphold an ALJ's decision. However, the statute was written to provide us this authority because of in some cases the complex nature of these cases and because we don't always -- the ALJ just doesn't always get it right, and we've actually had cases in the past where the agency has actually recommended, if I remember correctly, to go against SOAH's decision.

And so I think, you know, for me -- and of course, in many cases these are dealer cases, the complex
ones in particular with dealers and manufacturers, and I think that Member Washburn would agree that these are the ones that we really have a lot of responsibility to hear and make sure we can get it right because that's one of the most important responsibilities that I feel like we have on this board.

And so anyway, I just kind of wanted to say that. Anyway, I'll leave that and give the mic to Member Washburn.

MR. TREVIÑO: Member Graham, thank you. Sorry about that, Member Washburn. I see you raising your hand. I apologize.

MS. WASHBURN: No problem.

This is maybe a more procedural question on the time, because I agree, I mean, we've had cases where parties have spent millions of dollars, right, and we give them ten minutes to talk.

MR. TREVIÑO: Member Washburn, can I interrupt you for a second. I just want to make sure that we don't talk about any specific cases or anything, and I'm not just suggesting that you will, but I'm just throwing it out there.

MS. WASHBURN: No, no, no specific case.

MR. TREVIÑO: Great.

MS. WASHBURN: No, no specific case at all.
It's just a procedural question.

So if somebody needs more time, can they ask you for that ahead of time, or is that something that's granted at the time of the presentation? So if we say you get ten minutes, each party gets ten minutes, at that point does the board say that they need more time, or can they ask for that ahead of time and then both parties can prepare accordingly?

MR. TREVIÑO: Tracey, do you want to run through the proposed rules and the way we've run it in the past?

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

The proposed rules do provide an opportunity for parties to present oral argument presentation before the board. The parties would have a time frame under the proposed rules to request oral argument; it would be 30 days prior to the start of the board meeting.

If the party wants to provide oral argument, then the party may do so and request additional time. The chairman would be authorized under the proposed rules to review that request and authorize the amount of time for each party to give a presentation, and of course, both parties would be given the same amount of time for both presentation and rebuttal as determined by the chairman.
MS. WASHBURN: So it is ahead of time, they can ask for it ahead of time?

MS. BEAVER: Tracey Beaver, general counsel. Yes, absolutely, it's ahead of time.

MS. WASHBURN: Okay. Thank you.

MR. TREVIÑO: Thank you, Member Washburn. Any other questions, Member Washburn?

MS. WASHBURN: Nope. I've got it. Thank you.

MR. TREVIÑO: Great.

Any other questions from the board?

(No response.)

MR. TREVIÑO: Great. And I would like to thank staff for their work on this because they are trying to implement Sunset rules, and while trying to maintain the ability of all parties to be able to make sure that they get a fair hearing, and we do have the authority to decide these cases and that is something that's written in statute.

And we aren't attorneys, and any help that can help us in that area would be useful, but by the same token, we're trying to implement policy that the legislature has asked us to fulfill.

So great comments, great comments. I think staff has heard them, and hopefully we'll be able to thread that needle and move forward.
So any other questions?

(No response.)

MR. TREVIÑO: Any public comments, Tracey?

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

Yes, we have two public commenters. First we have Mr. Bennett.

MR. TREVIÑO: Great. All right. We'll now hear from Mr. Bennett. So what is the process here? So we'll hear from Mr. Bennett. Right?

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

Yes. If Mr. Bennett is able to unmute himself, on your cue, Chairman, he may provide his public comment.

MR. BENNETT: Am I unmuted? Can you hear me?

MR. TREVIÑO: Yes, we can hear you. Please state your name for the record and if you're representing anyone, and you will have three minutes.

MR. BENNETT: Thank you, Mr. Chairman. My name is Bruce Bennett. I'm a lawyer, I am representing myself today, or I represent clients that appear before the board.

I want to thank Ms. Beaver and her staff for all the hard work they've done on the proposed rules.

The expertise over the matters that you
regulate, board members, is in this board and in the
department. SOAH has no such expertise. Its expertise is
in conducting evidentiary hearing. You, not SOAH, have
the power to interpret the law you administer and to set
the policies for the interpretation of those laws. SOAH's
job is to conduct the hearing and make proposed findings
and conclusions in accordance with your interpretation of
the law and your policies.

As one board member said, SOAH judges can and
do make mistakes. Because of their relatively lack of
industry expertise, they can misinterpret and misapply
your decisions and your policies. They can make findings
based on those misinterpretations or they can make
findings that have no evidentiary support. They can
wrongfully exclude evidence that was relevant or is
relevant to a proper decision in the case.

The legislature gives you the power to vacate a
SOAH PFD when ALJs have not properly applied or
interpreted your decisions and standards. The legislature
gives you the power to reject or change findings and
conclusions based on the ALJ's misinterpretation or
misapplication of your decisions and policies, and they
give you the power to reject findings that have no
evidentiary support. They give you the power to remand a
case for further analysis or reconsideration when the ALJs
have misinterpreted or misapplied your decisions or policies or failed to consider evidence that should have been considered.

The problem is that the proposed rules, some of them unduly restrict your ability to exercise your power -- your power to correct SOAH's mistakes and to reach a proper decision. It's your decision the court will review, not SOAH's. You should not be forced to be saddled with a SOAH decision that is incorrect.

Now, proposed rule 2015.6(a) prohibits proposed orders, but proposed orders can assist you in following the ATA and correcting SOAH's mistakes. The issues was raised this morning about, well, if there are proposed findings then you have to go through each and every one. That is incorrect.

There's a Third Court of Appeals decision where the agency just put this in their final order: All other requests for specific findings of fact and conclusions of law and any other request if not granted are denied. And the Third Court said, "This language constitutes a ruling on the proper findings of fact and conclusions of law."

You can dispose of it that easily; it's not going to be an onerous burden.

And a proposed order may not even ask to change the findings, it may just say it needs to go back to
SOAH --

MR. TREVIÑO: I think we lost Mr. Bennett. Right? The time limits are up, is that what happened there?

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

At the three-minute time frame the commenter is muted, but if you'd like to let the commenter know that the time is up and just to finish that thought or sentence.

MR. TREVIÑO: Great. We'll give Mr. Bennett another 30 seconds or so to kind of wrap things up, but stick with the three minutes, if we could, as close as we can. Okay?

MR. BENNETT: Okay. Back on.

MR. TREVIÑO: Just kind of wrap it up. I apologize.

MR. BENNETT: I'm doing my best, Your Honor.

The limitation of six pages of written materials to the board members is too restrictive. No other agency has those kinds of restrictions. The PUC gives you 50 pages in an ordinary case, 100 pages in a major rate case. And you should not be restricted like that. There's also a problem, I think, with referencing the SOAH administrative record, it should be the
administrative record.

I would ask that you not publish the rules at this time, that you provide another period for informal comment where we can discuss the changes that have been made since May 4th and come back to you at that time. I think that's a better process to follow at this point rather than publishing the rules.

I'm happy to answer any questions. Thank you.

Are there any questions for Mr. Bennett?

(No response.)

MR. TREVIÑO: Okay. Hearing none, then, Tracey, do we have any other comments? I heard you mention there might be another one.

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

We now have a comment from Mr. Kaplan, and on your cue, Chairman, IT can unmute Mr. Kaplan.

MR. TREVIÑO: Please unmute Mr. Kaplan.

Mr. Kaplan, welcome.

MR. KAPLAN: Thank you, Mr. Chair. Am I heard?

Can you hear me?

MR. TREVIÑO: Before you get started, Mr. Kaplan, you're going to have three minutes. We'll give you a little bit on the tail-end there, we'll come in around 2:50 or something like that and give you a heads-up and
give you a couple of seconds toward the end there to kind of wrap it up if you could. Okay? Thank you.

MR. KAPLAN: Thank you. Can you hear me?

MR. TREVIÑO: Well, very well.

MR. KAPLAN: I'm an attorney in Houston. My name is Lee Kaplan, representing myself.

Over the last 40 years I've represented both manufacturers and franchisees in various disputes, relocations, terminations and other disciplinary matters. And I'm a trial advocate, and I would say that the current proposal is too limited.

First, I'm in accord with Mr. Bennett's comments in toto and Mr. Crocker's written comments that at least twenty minutes per side is required, given the vast amounts of money often affected by the board's decision and the careers and lives that are affected and sometimes ruined by board decisions, which are important.

Second, if I understand the current proposal, visual aids and demonstratives are allowed, and if so, I agree with that because they are needed to sufficiently present key information that allows the board to cut to the chase and ask good questions of the advocate.

I had a chart, for example, that I had to fight to get board approval to let me discuss, even though that chart itself was in the official record before the hearing.
officer, the administrative law judge. I wasn't allowed
to show it to the board, I had to describe it by record
number. I think having that and being able to hand it out
is valuable.

Finally, I think it's critically important that
parties be able to provide proposals, findings of fact,
conclusions of law, and proposed orders. This is
important to an easy understanding of the key issues and
particularly to avoiding pitfalls.

I had one case in which -- because the board's
orders are subject to appellate review and obviously not
all members of the board are attorneys. In one recent
appearance I had before the board, the board entered an
order and it was reversed and remanded because it did not
have the bells and whistles that are required by an
appellate court. I think that just wasted everybody's
time, cost the parties a lot of money, it required a do-
over.

In general, the board needs input from
meaningful oral presentations. It needs the ability to
see a proposed order and to question interested parties as
well as staff regarding the orders that are submitted by
the parties, who presumably are most intimately familiar
with their cases, and to exercise its authority properly
by doing so.
Thank you.

MR. TREVIÑO: Okay, Mr. Kaplan. Thank you very much. Does that conclude your remarks?

MR. KAPLAN: It does. Thank you.

MR. TREVIÑO: Very good. You have a little bit of time left.

So are there any questions for Mr. Kaplan?

Member Gillman, I saw your hand raised.

MS. GILLMAN: No questions.

MR. TREVIÑO: Okay. No questions for Mr. Kaplan? Great.

Tracey, do we have any other comments?

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

No other public comments. Thank you.

MR. TREVIÑO: Thank you very much.

Do we have any other questions or comments from the board?

(No response.)

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

MR. BACARISSE: Mr. Chairman?

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

MR. BACARISSE: Just real quickly. What we're doing here in this item is we're voting to publish for
comment, for public comment the proposed order here.
Right?

MR. TREVIÑO: We don't actually have a motion
yet, but that's what we're talking about.

MR. BACARISSE: Yeah, but I mean that's the
agenda item. Right?

MR. TREVIÑO: That's the agenda item, yes, sir.

MR. BACARISSE: Okay. Right. So I think
whatever we decide to do, whenever we put it out to the
public, we'll get plenty of public comment, and I look
forward to that. Thank you.

MR. TREVIÑO: I think you're right, Member
Bacarisse. I think we'll get some good meaty comments on
this one.

Okay. Any other comments or thoughts?

(No response.)

MR. TREVIÑO: If not, then the chair would
entertain a motion.

MS. GILLMAN: I have a motion.

MR. TREVIÑO: The chair recognizes Member
Gillman.

MS. GILLMAN: Motion for contested case rules,
number 13 on the agenda. I move that the board approve
the proposed amendments and new sections for publication
in the Texas Register for public comment, subject to the
following amendments:

Number one, I'd like to amend 206.22 to allow
parties to a contested case a maximum of twenty minutes
for their initial presentation, and in addition, five
minutes for rebuttal.

Secondly, I'd like to delete 215.60 and the
second sentence in new 215.60 to remove the prohibition on
accepting proposed orders, proposals for decisions and new
findings of fact or conclusions of law from a party to the
contested case so the board retains discretion on whether
to consider party submissions.

And number three, authorize the staff to make
conforming changes consistent with this motion, including
just renumbering the sections and making corresponding
changes throughout the rule proposal under agenda item
number 13 to remove the prohibition on acceptance of
proposed orders from parties to a contested case.

MR. TREVIÑO: Okay. We have a motion from
Member Gillman to make some changes to this. Do we have a
second?

MR. GRAHAM: I second.

MR. TREVIÑO: Is that Member Graham?

MR. GRAHAM: Yes.

MR. TREVIÑO: Okay. We have a second from
Member Graham.
Any further discussion?
(No response.)
MR. TREVIÑO: Okay. Hearing none, I would 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?
MS. WASHBURN: Aye.
MR. TREVIÑO: And I, Chairman Treviño, also vote aye, so it is unanimous. Again, these are for public comment and not for final order.
General Counsel Tracey Beaver, is that correct?
MS. BEAVER: Tracey Beaver, general counsel.
That's correct.
MR. TREVIÑO: Great. Okay. Very good. So
motion carries unanimously, and we look forward to those
comments as they come in.

We now move to agenda item number 14. I will
turn it over -- and it's approximately ten o'clock. I
think we'll take a five-minute break if that's okay with
everyone.

I think we're ahead of schedule. Is that
correct, Tracey?

MS. BEAVER: Thank you, Chairman. Yes, we're
ahead of schedule, so if you'd like to take a break, that
would be acceptable. Thank you.

MR. TREVIÑO: I think it's a good idea. It's
ten o'clock. Why don't we come back around 10:06 and
reconvene.

(Whereupon, at 10:00 a.m., a brief recess was
taken.)

MR. TREVIÑO: So we're going to reconvene. It
is approximately 10:08, and I will now turn it over to
Jeremiah Kuntz for agenda item number 14.

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

This is agenda item number 14, which is final
adoption of rules that are amending Section 217.144 of the
Administrative Code. These rules are a continuance of
some rules that were brought before the board -- I'm sorry -- these rules are to implement provisions of Senate Bill 604, which changed the name of the Automobile Burglary and Theft Prevention Authority to the Motor Vehicle Crime Prevention Authority.

The reason that I am making this presentation as opposed to our director of the Motor Vehicle Crime Prevention Authority is 217.144 is related to the VIN inspection process for titling vehicles and the reference to the Motor Vehicle Crime Prevention Authority as those entities that have been trained to perform those types of inspections.

This is a very simple rule, we're just changing the name of the entity that is providing the training to law enforcement officers to provide VIN inspections.

I'll be more than happy to answer any questions.

MR. TREVIÑO: Thank you, Mr. Kuntz.

Any questions for Mr. Kuntz on this issue?

(No response.)

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

MS. BEAVER: Tracey Beaver, general counsel.

No comments from the public on this item.

Thank you.
MR. TREVIÑO: Sounds great.

Is there any other discussion?

(No response.)

MR. TREVIÑO: Hearing none, the chair would entertain a motion. All right. This is a tough one so somebody has got to jump in here.

MR. PREWITT: Mr. Chairman.

MR. TREVIÑO: Mr. Prewitt.

MR. PREWITT: I hereby make a motion that the board approve the publishing of the adoption of amended Section 217.144 in the Texas Register.

MR. TREVIÑO: Thank you, Member Prewitt.

Do we have a second?

MR. BACARISSE: Second.

MR. TREVIÑO: Okay. Member Bacarisse, thank you very much.

So we have a motion and second. Any further discussion?

(No response.)

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

Member Bacarisse?

MR. BACARISSE: Aye.

MR. TREVIÑO: Member Gillman? And Member Gillman is not back so let the record reflect that Member
Gillman is not back, so this will be another abstention, I guess, at this point.

Tracey, is that the case?

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

If Gillman is not finished, it would not be a vote for Ms. Gillman.

MR. TREVIÑO: Great. Oh, there she is, Member Gillman is back.

We have a motion and a second to change the name of the Automobile Burglary and Theft Prevention Authority to Motor Vehicle Crime Prevention Authority.

MS. GILLMAN: Aye.

MR. TREVIÑO: We've got an aye.

Okay. Member Graham?

MR. GRAHAM: Aye.

MR. TREVIÑO: Member McRae?

MS. McRAE: Aye.

MR. TREVIÑO: Thank you.

Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Member Washburn?

MS. WASHBURN: Aye.
MR. TREVIÑO: And I, Chairman Treviño, also vote aye, so this motion carries unanimously.

And that takes us to agenda item number 15 and Mr. Jeremiah Kuntz again.

Mr. Jeremiah Kuntz, again, I cannot thank you enough for having your sons leading the pledge. Thank you very much. Great job.

MR. KUNTZ: Absolutely. They're happy to do it. My older son did the Finance and Audit Committee pledge yesterday, and so they enjoy doing it, and I like to encourage them in fulfilling their civic duty as Cub Scouts and Boy Scouts providing that service. So thank you very much, Mr. Chairman.

MR. TREVIÑO: You said it. You know, we always focus on our rights, but we don't always think about our duties, and getting them to think about their duties early I think is admirable, so thanks again.

Go ahead.

MR. KUNTZ: Absolutely.

Again for the record, Jeremiah Kuntz, director of the Vehicle Titles and Registration Division.

Members, before you is agenda item number 17. These also are amendments up for final adoption.

MR. TREVIÑO: Mr. Kuntz, I think we're on item 15, aren't we?
MR. KUNTZ: Yes, 15.

MR. TREVIÑO: Okay, great. Right. Sorry about that.

MR. KUNTZ: And this amendments to 217.182.

This rule package is up before the board for final adoption. This one -- and the one I got a little confused on the last one -- this is a continuation of implementation of legislation from the last legislative session related to House Bill 1548, which requires that off-highway vehicles, which is inclusive of golf cars, neighborhood electric vehicles, package delivery vehicles, all of these other types of vehicles, to display an off-highway vehicle license plate if being operated on the roadways.

This rule is actually implementing the processing and handling fee for the issuance of those license plates to those vehicle types. This is just to make these vehicles consistent with issuance of registration or license plates for all other vehicles and allows the county tax assessor-collectors to receive their compensation from the processing and handling fee when they process vehicles and issue an off-highway vehicle license plate to them.

These rules were published for public comment in the Texas Register on April 17th. We did receive one
public comment. The comment period closed on May 18th. The comment was received from the Lubbock County Tax Assessor-Collector in favor of the rules that you see before you today.

If there are any questions, I'd be more than happy to answer any questions.

MR. TREVIÑO: Great. Thank you, Mr. Kuntz. Any questions for Mr. Kuntz?

(No response.)

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

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

MR. TREVIÑO: Thank you very much. Anybody else, any other comments or questions?

(No response.)

MR. TREVIÑO: If not, the chair would entertain a motion.

MR. BACARISSE: Mr. Chairman.

MR. TREVIÑO: Member Bacarisse.

MR. BACARISSE: I would like to make a motion. I would move that the board would approve the adoption of amendments to Section 217.182, as recommended by staff.

MR. TREVIÑO: Thank you, Member Bacarisse. Do we have a second?
MR. PREWITT: Second.

MR. TREVIÑO: Member Prewitt, thank you very much.

We have a motion and a second. Any other further discussion?

(No response.)

MR. TREVIÑO: If not, 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?

MS. McRAE: Aye.

MR. TREVIÑO: Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Member Washburn?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye, so the motion carries unanimously.

And that takes us to agenda item number 16, Finance and Audit Committee update. So we're moving to
agenda item number 16, right, 16.A.1.

The board is responsible for the policy direction of the department and the department's executive director is responsible for the management of the department.

The Texas DMV governance policy says the board shall govern the agency through careful establishment of policies reflecting the board's values and perspective, always focusing on the goals to be achieved and not on the day-to-day administrative functions.

Language in the Legislative Appropriations Request, LAR, is based on both policy decisions and management decisions for the department. The LAR is a request from the department's executive director and the board.

I will now turn it over to Committee Chair Brett Graham, assisted by Linda Flores and Sergio Rey.

MR. GRAHAM: Thank you, Chairman.

You would like the Finance and Audit Committee update at this point. Correct?

MR. TREVIÑO: Yes. Finance and Audit Committee, and I think I skipped that and went into the Legislative Appropriations Request and I didn't allow you the opportunity to give the Finance and Audit Committee update. Thank you very much. I kind of blurred those
together there. I'm so glad you pointed that out, Member Graham.

MR. GRAHAM: I serve at your pleasure, sir. I'm just making sure, following directions.

MR. TREVIÑO: [inaudible].

MR. GRAHAM: Okay. I don't think so.

Well, Ms. Flores and her staff briefed the committee on the Legislative Appropriations Request process for the upcoming legislative session yesterday during our Finance and Audit Committee meeting, and this included estimated revenue collections by fund, estimated baseline budget appropriations request by strategy, and capital budget project summary baselines, as well as preliminary exceptional item requests and five riders that assist in department operations: one rider which was relevant to making payments to a vendor for the marketing and sale of personalized license plates, and four riders that addressed carryforward of unspent dollars between the biennium for operations grants and headquarters projects.

And let me just say, let me just deviate a moment and say I apologize, there's construction going on outside my door here which just started 30 seconds ago right on cue, so hopefully it's not too loud. If it is, let me know.

Modifications to the appropriations request are
likely to occur when direction is received from state leadership, and that is a very brief summary that concludes the LAR discussion at the F&A Committee yesterday. I'd be glad to go into more detail if the board would like, but this is an action item, Mr. Chairman.

MR. TREVIÑO: Great. So we have the action item before us.

So Tracey, again, is this 16.A.1, and now we allow Member Graham and Sergio Rey to discuss this. Is that correct?

MS. BEAVER: Tracey Beaver, general counsel.

Yes. Thank you. That's correct. After Member Graham gives the overview, if there are any questions from the board members for TxDMV staff, they're all available before the vote, and we have no public comment on this item.

MR. TREVIÑO: Terrific. Thank you very much.

So any questions for Member Graham?

(No response.)

MR. TREVIÑO: Great. So now we will hear from, I guess, Linda Flores and Sergio Rey. Any questions?

MS. FLORES: For the record, this is Linda Flores. I'm available to answer any questions from the board.
MR. GRAHAM: Mr. Chairman, I'll just add, just
to give a little context to those items that I mentioned,
the estimated baseline budget appropriations request
totals $310.8 million, the capital budget project summary
is $43.6 million, and the preliminary exceptional item
requests totals about $17.5 million and eleven FTEs.
And again, this is a starting point that the
board will consider moving forward, and it's very likely
to change as we progress with state leadership input, but
just kind of our jumping-off point, I suppose.

MR. TREVIÑO: Great. Thank you very much,
Member Graham. And thank you, Linda Flores and Sergio
Rey, for all the hard work in preparing this.

So any other comments? And there's no public
comment. So hearing none, the chair would entertain a
motion.

MR. GRAHAM: Oh, you know, I do have a motion
but it's not this one.

MR. TREVIÑO: We need to approve this since the
Finance and Audit Committee recommends full board
approval. Correct?

MR. GRAHAM: That's correct. It did pass out
of Finance and Audit.

MR. TREVIÑO: Great. So we have a
recommendation from the Finance Committee for a full board
approval of this, so the chair would entertain a motion.

MS. GILLMAN: Is this number 16?

MR. TREVIÑO: This is 16.A.1.

MS. GILLMAN: Aha. I'd like to make a motion.

MR. TREVIÑO: There we go. Member Gillman has got her hand up. I think the chair will recognize Member Gillman.

MS. GILLMAN: I move that the board approve the fiscal year 2022-23 Legislative Appropriations Request as presented by staff, subject to any technical corrections that are approved by the department's chief financial officer and executive director to comply with the instructions from the Legislative Budget Board.

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

We have a motion from Member Gillman. Do we have a second?

MR. BACARISSE: Second.

MR. TREVIÑO: Member Bacarisse.

We have a motion and a second. Any further discussion on this point?

(No response.)

MR. TREVIÑO: Hearing none, 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?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye. This motion passes unanimously.

And now we move to 16.A.2. So we'll let Chairman Graham, Committee Chair Graham and Ms. Flores and Mr. Rey continue.

MR. GRAHAM: Thank you.

16.A.2 is the fiscal year 2021 recommended annual operating budget. Staff presented the department's budget for 2021 fiscal year which begins on September 1, 2020 and ends on August 31, 2021.

The department is proposing a budget of $181.7 million. This total includes $153 million in funds that were appropriated for fiscal year 2021 use and $28.7
million in funds that were appropriated in previous years and the department is allowed to spend in the upcoming fiscal year. These are what the board may recognize as carryforward funds.

The largest areas of expenditures are designated for $88.6 million for core program activities. These activities include the operations of our public-facing divisions such as vehicle registration and titles, motor industry licensing, conducting Lemon Law and warranty performance hearings, motor carrier operations, customer contact services, enforcement activities including compliance and investigations, and motor vehicle crime prevention.

It also includes $37 million for capital projects. These consist primarily of major technology initiatives. Also included in those numbers are regional service center improvements and some headquarters maintenance projects.

And the fiscal year 2021 budget also includes $18 million in information technology. This activity provides for administrative oversight of all department technology functions and projects.

In addition to the annual operating budget, the Finance and Audit Committee discussed some contracts. During 2021 the department will be funding and monitoring
233 contracts that support various functions and activities, those that are statutorily required and those that are necessary to maintain TxDMV services at optimum levels.

Staff also recommended approval to negotiate and execute required contracts contained in the document and specific approval of the following AAMVA contract: the American Association of Motor Vehicle Administrators National Motor Vehicle Title Information System, as we say in Finance and Audit, the AAMVA NMVTIS -- how's that? This contract allows the agency to maintain access to that that I just previously described from the period of September 1, 2020 through August 31, 2021.

Finally, staff requested approval to transfer $2.7 million from the automation capital line item to the data center consolidation capital and to seek authority from the Legislative Budget Board and the Governor's Office Budget and Policy to exceed the 25 percent transfer limit to utilize data center services managed application services. This will address two projects on the department's folio: the statewide webDEALER adoption capital project, and the external website web server cloud solution.

So as you can imagine, that was a mouthful, but that concludes the summary of the annual operating budget.
discussion at the F&A Committee, which was approved and we will be glad to take any questions you have on any of these items.

MR. TREVIÑO: Thank you for that thorough analysis, Member Graham.

Any comments or questions for Member Graham?

(No response.)

MR. TREVIÑO: The full budget packet is in your board materials, and recognizing that this is a very fluid budget environment, given the current state of affairs of our government and our economy, any other comments for Member Graham?

(No response.)

MR. TREVIÑO: Great. So recognizing this has been voted out of committee, they had a good look at this, the chair would entertain a motion.

MR. BACARISSE: Mr. Chairman?

MR. TREVIÑO: Yes, Member Bacarisse.

MR. BACARISSE: I'd like to try to encapsulate Chairman Graham's great analysis there by making a motion that the board approve the FY 2021 operating budget as presented, which includes approval of the following: one, the listed contracts that require board approval as well as the delegation of authority to the executive director or the executive director's designee, subject to the
restrictions in Government Code Section 2261.254(d) for
the approved contracts; and number two, the transfer of
$2.7 million from the Texas DMV automation system capital
line in rider number 2 of the department's bill pattern to
the data center consolidation capital line in the
department's bill pattern, subject to the department's
receiving approval from the Legislative Budget Board and
the Governor's Office to exceed the 25 percent transfer
limit on transferring the amount in one capital budget
line to another.

Thank you.

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

We have a motion. Do we have a second?

MR. PREWITT: I'll second.

MR. TREVIÑO: By Member Prewitt, so we have a
motion and second. Any further discussion?

(No response.)

MR. TREVIÑO: Hearing none, I would 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?

(No response.)

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

It looks like Member McRae may be having technical issues and dropped off the call.

MR. TREVIÑO: Okay. So let the record reflect that Member McRae is not currently with us, so we will say that's an abstention.

Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Member Washburn?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye, so with the exception of Member McRae's abstention, technical abstention, this motion is seven to one abstention and carries. Thank you very much.

We're now moving to agenda item 16.A.3, board approval of FY 2021 Internal Audit plan. And we'll turn it over to Chairman Graham, assisted by Ms. Sandra Menjivar-Suddeath.

MR. GRAHAM: Thank you, Chairman.
Ms. Sandra Menjivar-Suddeath provided information to the Finance and Audit Committee on the first six-month Internal Audit plan yesterday. The plan includes nine engagements which are composed of four required and five risk-based engagements.

The risk-based engagements include telecommuting, employee relations, procurement measures, license plate manufacturing and monitoring, and information technology change management. The information technology change management will be a co-sourced engagement and the engagements will review high risk areas within the department.

The plan also provided details on divisional initiatives, value-added services and contingency engagements.

And that is a very brief summary, but, Sandra, you may have something to add to that. Did I miss anything?

MS. MENJIVAR-SUDDEATH: No, sir.

MR. GRAHAM: Okay. It did pass Finance and Audit and is presented to the board for adoption.

MR. TREVIÑO: Great. Any questions for Member Graham or for Ms. Menjivar-Suddeath?

(No response.)

MR. TREVIÑO: Hearing none, I would just like
to comment that what a pleasure it is to review these documents that are presented and just acknowledge all the hard work that's gone into it. It's very rare, I think, when you look at audit documents that you say they are a pleasure to look at, but they are, so well done.

So any other comments or questions from the board?

(No response.)

MR. TREVIÑO: Any public comments, Tracey?

MS. BEAVER: Tracey Beaver, general counsel.

There are no comments for agenda item 16.

Thank you.

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

MR. GRAHAM: Actually, Mr. Chairman, I'll move that the board adopt and approve the fiscal year 2021 first six-month Internal Audit plan as presented.

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

Do we have a second?

MS. GILLMAN: Second.

MR. TREVIÑO: Member Gillman. We've got a second from Member Gillman.

And I just heard something. Did Member McRae come back on by any chance?
MR. TREVIÑO: No. She's still not out there. So we have a motion from Member Graham, a second from Member Gillman. Any further discussion?

(No response.)

MR. TREVIÑO: Hearing none, I would 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?

(No response.)

MR. TREVIÑO: Not hearing Member McRae, so again another abstention.

Member Prewitt?

MR. PREWITT: Aye.

MR. TREVIÑO: Member Scott?

MR. SCOTT: Aye.

MR. TREVIÑO: Member Washburn?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye, so this motion also carries seven to one
abstention and passes.

I'm hearing that Member McRae is doing her level best to get back on here and get up to speed.

So we'll move to agenda item 16.B.1. I'll turn it over to Committee Chair Brett Graham, assisted by Linda Flores and Brian Kline.

MR. GRAHAM: Thank you, Mr. Chairman.

And it is, agenda item 16.B.1 is the financial impacts of COVID-19 on TxDMV, and I appreciate your comments, Mr. Chairman, on the work done by Sandra and Sergio and Linda's team, and I also need to mention Brian Kline who has done a lot of the legwork to help us try to understand on the Finance and Audit Committee the overall impacts to the agency as it pertains to COVID-19.

They have done extensive analysis to really help us understand the picture of what those financial impacts are, but more importantly they've dug down into it to kind of categorize those that represent true losses in revenue from declines in what's going on in our economic conditions, and then those dollars that actually we will not receive today but will most likely be deferred and received in the future. So just wanted to thank all of them, including Brian, for their work on that.

The revenue losses, just a summary of those impacts of the pandemic on the department through the
month of June 2020, the most significant items in that list included a loss of $12,734,000 to the General Revenue Fund 0001, and a loss of $175,922,000 to the State Highway Fund 0006, as well as a loss of $22,219,000 to the TxDMV Fund 0010. And again, just reiterating that there are a lot of those dollars, approximately half of those dollars will eventually be deferred to future cycles, so that's not representative of entirely lost revenue.

As far as expenditures on COVID, the amounts expended through June 2020 totaled $1.47 million in response to COVID-19. The expenditures were primarily from staff time for planning and preparation of COVID-19 response activities, acquisition of personal protective equipment items for employees and customers, cleaning supplies and facility preparation activities such as cleaning and de-fogging services, and the installation of plexiglass partitions for public areas.

The total projected cost for COVID-19 response is estimated to be $1.7 million through the end of fiscal year 2020. The year-end estimate assumes continued staff time through the end of July and continued cleaning services and cleaning supplies, PPE replenishment through the end of the fiscal year.

Mr. Chairman, that concludes my summary of the COVID financial impacts discussion at the Finance and
Audit Committee meeting.

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

Any comments or questions for Member Graham or staff?

MS. GILLMAN: I have a question.

MR. TREVIÑO: Member Gillman.

MS. GILLMAN: Thank you, Mr. Chairman.

Remind me, Linda, what percentage of our revenue, expected revenue have we not collected? Do you think we are from budget are we 10 percent off or 50 percent off as far as the collections that you had expected? And I guess I'd love to know through July.

MS. FLORES: Member Gillman, this is Linda Flores for the record, Linda Flores, chief financial officer.

From our expected targets, we're approximately 7 percent below our estimated revenue collections for the year, and as we previously mentioned, we do believe that that amount, that $175 million primarily, will be received as soon as the registration renewal waivers are lifted.

So 60 days after the waiver is removed, that's when individuals are required to come in and renew the registration, and in essence, we will capture those registration renewals that we should have seen by August.
So the waivers occurred in March when the state went into a lockdown. The governor issued the ability for people not to have to go into a TAC office to renew the registration. We are seeing a lot of individuals register online, but there are some system limitations that we're working on as well to extend the amount of late registrations you can do online.

So we're hoping to have that done here in the very near future, September-October, from what I understand. So between that and then lifting the waiver, we should see the majority of those dollars come in for the state.

MS. GILLMAN: Thanks, Linda.

Yesterday at the conclusion of our Finance and Audit meeting, I worked with some of our manufacturer partners to try and get a sense of where we are with regard to sales of both new and used vehicles this year, and so what I'm getting ready to tell you is nothing official, but I reached out to domestic and import and every source that I could to try and come up with a number just to give everyone a sense of it, because we don't know from registration, you know, because we're behind.

But just from my unofficial poll, we are retail, the number of new and used vehicles sold this year is somewhere down around 15 to 18 percent, so I guess I
translate that to department dollars as well and revenue for the state.

So anyway, hopefully we'll see a good bounce back, but so far to date we're somewhere around 15 to 18 percent off, I think. I'll keep you posted.

MS. FLORES: And we do appreciate that, Board Member Gillman, because we do look at sales of vehicles as well when it comes to the title revenue. Yes, ma'am. Thank you.

MR. TREVIÑO: Great. Thank you, Member Gillman, for those comments and keeping the board informed of the economic conditions in the State of Texas.

Any other comments or questions for staff or for Member Graham?

(No response.)

MR. TREVIÑO: Great. Hearing none, then any comments from the public on this?

MS. BEAVER: Tracey Beaver, general counsel. There's no comments from the public on any of the agenda items under number 16. Thank you.

MR. TREVIÑO: The only comment I would add is just when you look at these numbers, they're staggering just if you can think about how important our agency is for the State of Texas. The amount of money involved and the amount of commerce and the effects on the economy that
our department influences, it's staggering.

So anyway, thank you very much, Member Graham,
for all your hard work.

So this is not an action item, is it, it's just
information. Right?

Okay. We'll go to agenda item 16.B.2, and hear
from Committee Chair Brett Graham and Linda Flores and
Sergio Rey.

MR. GRAHAM: And I'll try to brief on this.

We've already covered some of this. 16.B.2 is the third
quarter financial summary, as we discussed the department
being in the midst of addressing the COVID-19 pandemic and
making modifications to its regional service centers and
service to customers while ensuring the safety of the
staff which needs to be a priority.

You heard in the previous briefing item the
financial impacts of COVID-19 on the department, but in
regard to collections, collections were experiencing
decrees in the third quarter, as we discussed, due to fee
waivers and deferred revenue, as well as a general decline
in economic activity.

In this quarterly report, collections in the
TxDMV Fund 0010, which is the fund that directly supports
the operations of the department, experienced a decrease
of 7 percent compared to the same period last year.
Registration revenue is expected to decline approximately 9.1 percent from last year.

Collections will continue to be compressed in the near future, we expect, as businesses and individuals react to the pandemic. So I think those numbers certainly are in line with what Member Gillman heard from some of the manufacturers are certainly represented in those numbers.

But that's a very broad overview of the third quarter financial summary, Mr. Chairman.

MR. TREVIÑO: Thank you, Member Graham. Any questions for Member Graham?

(No response.)

MR. TREVIÑO: Tracey, any comments from the public on this or the next agenda item?

MS. BEAVER: Tracey Beaver, general counsel. No comments from the public on this agenda item or the next one.

MR. TREVIÑO: Great. So then we will move on to agenda item 16.B.3. -- Member Graham, you've been busy, you're on here for the next one as well, assisted by Sandra Menjivar-Suddeath.

MR. GRAHAM: Yes, sir, absolutely. So it's a busy time for Finance and Audit as we prepare for the new year, and there's something going on in the Austin area.
early next year. I don't remember what that is, but there's something big coming, or hopefully anyway.

MR. TREVIÑO: Like a freight train.

MR. GRAHAM: So we'll be getting ready for that as well.

Mr. Chairman, 16.B.3 is the Internal Audit Division status report. Ms. Menjivar-Suddeath provided an update on the status of current Internal Audit activities including the four final engagements on the Internal Audit plan.

She also provided us information on two external engagements that are reviewing department policies related to cybersecurity and criminal justice information services security. And finally, information was provided on how the Internal Audit staff are participating in the local internal audit chapters.

And that is a very, very brief overview of a whole lot of very important work, but I'll drop it there and open it up for questions.

MR. TREVIÑO: Well said, Member Graham.

Any questions for Member Graham?

(No response.)

MR. TREVIÑO: Thank you for that succinct presentation on very complex matters.

We will now move on to agenda item 17.A,
legislative and public affairs. We will turn then to Ms.
Caroline Love.

Caroline, are you on there?

MS. LOVE: Hi. This is Caroline. Can y'all hear me?

MR. TREVIÑO: Yes, Caroline, we can hear you.

MS. LOVE: Great, okay. Thank you.

Well, good morning, board members and Chairman and Executive Director Brewster. My name is Caroline Love. I'm the director of the Government and Strategic Communications Division for the department, and I wanted to provide you all with a legislative and public affairs update.

So tying in with the remarks made by Board Member Graham a few minutes ago, there is something happening in January -- at least it seems like it's on track so far.

So starting on page 382 of the materials provided to you today, there is some information regarding some of the requirements of the board heading into a legislative session, and the Texas Transportation Code does state that the board shall consider opportunities in which to improve department operations and efficiencies, and so this process is something that the staff helps prepare for the board.
My team has been working with all the divisions within the department to identify any statutory impediments that might keep us from being able to work efficiently on a day-to-day basis, and we are in the process of finalizing those at the internal level.

And then next we will go to the stakeholders that may be impacted by those things that we are looking at. And then once we get that feedback, we'll be coming back to the Legislative and Public Affairs Committee with discussion items on recommendations, as well as the board.

And one of the items that I did want to mention that's a little new to this process for this upcoming session is the fact that we now have advisory committees to the board, which is not something that we had before, and as you heard earlier, those advisory committees are considering not only recommendations to our rules and things like that but also to legislative items that can be considered, so we'll be sure to incorporate those into the overall package that gets brought forward to the board.

And if you'll notice as well on page 383, there's a highlight of some of the key deadlines, the dates that we need to be aware of going into the legislative session.

The first one is that the bill filing begins on November 8th, and that is of this year, and so the hope is
to bring this package to the board at the October board meeting so that we will have time to get those adopted and we'll start having information delivered over to the legislature and begin those conversations.

Then, of course, the legislative session is set to begin on January 12th of 2021 and then, of course, the filing deadline is always a big date, 60 days later on March 12th, and then 140 days after January 12th, on May 31st is when they are scheduled to adjourn sine die.

Of course there is so much up in the air at the moment, but by and large what I'm hearing from other staff and contacts in the Capitol area is that it will be very difficult for the legislature to handle the volume that we've seen in the past when it comes to bills filed and bills considered.

Legislators are paring down their staff so that they don't run the risk of having too many people in an office at one time, and then, of course, they have so many things they need to comply with in terms of social distancing and those sorts of things that really have an impact on the volume that they can consider. So that is something we're also keeping in mind as we're moving forward in this process.

And those are the key items I have for 17.A. Are there any questions on that?
MR. TREVIÑO: Thank you, Ms. Love.

Any questions for Ms. Love?

MS. GILLMAN: I have a question.

MR. TREVIÑO: Member Gillman.

MS. GILLMAN: Who is on the advisory committee?

MS. LOVE: Well, I was referring to the already established advisory committees which would be the Consumer Protection Advisory Committee, and that is the one that has actually the recommendations that might have legislative components at the moment.

They have items considering the public information protection, as well as a couple of legislative references for when a dealership might go out of business and how to help customers that are impacted. So it would be those recommendations that have been incorporated in.

MR. TREVIÑO: And Member Gillman, Member Scott chairs the Legislative and Public Affairs Committee.

MS. GILLMAN: Oh, okay. Thank you.

MR. TREVIÑO: Okay. Any other questions?

(No response.)

MR. TREVIÑO: I would like to thank Member Scott for agreeing to serve.

And it looks like Member McRae is back. We missed you, Member McRae. I don't know if I can say that legally or statutorily, but I'm going to say that
personally. So good to have back.

    MS. McRAE: You have to love technology. My computer is fried, but I'm on another one.

    MR. TREVIÑO: Well, there you. But you're back. That's the important thing, you're back with us, it's important to have your voice here.

    So any other questions for Ms. Love?

    (No response.)

    MR. TREVIÑO: Hearing none, I think, Caroline, you're up for the next item 17.B. Is that correct?

    MS. LOVE: That is correct. Thank you.

    So on page 384 of the materials you'll see a quick update on the alternatively fueled vehicles study. Senate Bill 604 from the 86th Legislature is the TxDMV Sunset legislation which not only continued the agency until 2039 -- we can all be thankful for that -- but also had a few things in there that we've been working towards implementing, including a requirement for TxDMV to work with several state agencies on alternatively fueled vehicles, what the impacts of those vehicles are to the state infrastructure, and then also opportunities to collect revenues from those vehicles that do not get collected at the time of collecting motor fuels taxes since they do not use traditional fuels.

    So this study is due on December 1st. We have
been working with the other agencies. The Texas Department of Transportation has a lot of information related to vehicle miles traveled and that sorts of data that will be included in the report.

We also have the Department of Public Safety on inspection processes, the Texas Commission on Environmental Quality that will prove information relevant to the impact these vehicles have on the environment, and then the Public Utility Commission has a lot of information about should the use of these vehicles continue to grow, the impacts it would have on the electric grid and those sorts of things.

So we're still in the process of gathering that information. We hope to have all the inputs complete from the other agencies by the end of this month. And then internally we've been working through looking at what other states do to collect revenues from these types of vehicles.

And not every state does but some states have simple measures where they simply collect an extra fee at the time of registration, others might have a more complicated number of miles traveled system for collecting revenue, so we're in the process of researching those and looking internally to see what might be an option for Texas to collect those revenues.
And as I mentioned, this report will be finalized and delivered to the legislature by December 1st, and we are on track for that. So that's my update on that, and I'm happy to answer any questions.

MR. TREVIÑO: Thank you, Ms. Love.

Any questions for Ms. Love on this electric vehicle issue?

(No response.)

Mr. TREVIÑO: Hearing none, Tracey, are there any public comments for this or the next three agenda items?

MS. BEAVER: No public comments received.

MR. TREVIÑO: Great. Thank you very much.

Let's see, Caroline, you're up again, 17.C.

MS. LOVE: Thank you.

And so the last item I have for an update was also part of the department's Sunset legislation. There was a bill for us to implement a digital license plate process, which I know you are very familiar with.

You adopted rules related to the implementation of digital license plates, and those rules became effective on July 12th. And we quickly went out with a request for proposals, and that closed on July 17th this year, and so we are currently in that evaluation and negotiation and contract reward phase, and we are working
also on the business requirements for making sure our systems can accommodate these types of technology and plates, and we are on track to have this implemented by the end of the calendar year.

That's all I have on that one, pretty brief, but I'm happy to answer any questions.

MR. TREVIÑO: Thank you for keeping us up to date on that, Caroline.

Any questions for Ms. Love?

(No response.)

MR. TREVIÑO: And again, Ms. Love, just to be clear, you guys are on track. I heard that towards the end, but I just want to make sure; it kind of broke up. But you are on track to meet your goals on this. Right?

MS. LOVE: That is correct, yes.

MR. TREVIÑO: Great. Thank you very much. Thank you, Caroline. I think we're pretty much done with you.

So we'll now hear from agenda item number 18 and our executive director, Whitney Brewster.

MS. BREWSTER: Thank you, Mr. Chairman, members. Again, Whitney, executive director, for the record.

On item number 18 I'm seeking approval from the board to execute the proposed delegation of authority that
you can find on page 388 of your board books. Really, the purpose of this proposal is to provide a standing delegation order that will govern our operations at times when the executive director is unable or unavailable to perform the duties of the executive director.

And so the proposed authorization that you see before you for consideration delegates authority to Deputy Executive Director Shelly Mellott and then Daniel Avitia to perform the duties of executive director when the executive director is not available.

And the delegation provides if one of the deputy executive directors is absent, the other deputy executive director will perform the duties. And if both deputy executive directors are unavailable or unable, the delegation then passes on to the chief financial officer.

So if approved, the authorization will provide clear lines of succession and responsibility, and I would say improved continuity of operations.

And with that, Mr. Chairman, I would be happy to answer questions.

MR. TREVIÑO: Thank you, Ms. Brewster.

Any questions for Ms. Brewster?

MR. BACARISSE: Mr. Chairman?

MR. TREVIÑO: Yes, Member Bacarisse.

MR. BACARISSE: Ms. Brewster, just for
clarification, the way this is set up, in the absence of
the executive director the duties would fall to both of
your deputy executive directors simultaneously with one
not being over the other necessarily? I mean, that might
create some confusion.

MS. BREWSTER: So the proposed authorization
delegates authority to Deputy Executive Director Shelly
Mellott and Daniel Avitia to perform the duties of the
executive director when the executive director is unable
to be there that involve their respective divisions under
their supervision. First, we wanted to avoid a new
delegation order each time I'm out of the office --

MR. BACARISSE: Absolutely.

MS. BREWSTER: -- which is the way we've been
handling it. Second, we've added Daniel as a second
deputy executive director, and then we need the delegation
that provides that clear line, so in the areas where they
have direct oversight, they are delegated that authority.

In the event that there is question over the
order, it would fall first to Shelly Mellott, second to
Daniel, and then to the chief financial officer.

MR. BACARISSE: Okay. I just want to make sure
we have a real clear line delineation there.

MS. BREWSTER: Yes, sir.

MR. BACARISSE: So thank you.
MR. TREVIÑO: Good questions, Chairman Bacarisse.

MS. GILLMAN: Mr. Chairman?

MR. TREVIÑO: Yes, Member McRae. Sorry. Did I hear somebody else had a question?

MS. GILLMAN: I just don't know, Whitney, do you have something that you think or expect will take you out of the office?

MS. BREWSTER: No, ma'am. This would be in the event that I was out for vacation, illness, or some sort of unanticipated situation. This is not anything for a planned absence, no, ma'am.

MR. TREVIÑO: Good question.

So any other questions for Executive Director Brewster?

(No response.)

MR. TREVIÑO: So just to follow up on the two questions that were raised here, so you do have a clear line of succession and that Shelly would be your go-to, even though you have administratively separated out the tasks that each is responsible for.

At the end of the day we do have clear delineation of who the second in command is going forward.

Is that correct?

MS. BREWSTER: Yes, sir.
MR. TREVIÑO: And then on the other score, I do applaud you, because in this area of heightened preparation for all kinds of natural disasters and in this COVID environment, it's essential that all of us have a deep bench and clear lines of succession.

So you are fortunate in that you have very, very good staff to support you, and that speaks highly of you as well. So well done for setting up this line of succession.

MS. BREWSTER: Thank you, Mr. Chairman.

MR. TREVIÑO: All right. So any other questions for Executive Director Brewster?

(No response.)

MR. TREVIÑO: Hearing none, the chair would entertain a motion. Any out there? Hello. Someone. Oh, there's Member Bacarisse raising his hand.

MR. BACARISSE: Member Graham, do you have the motion?

MR. GRAHAM: No, I do not have a formal motion, I was going to throw something out there, but please go ahead.

MR. BACARISSE: All right. Mr. Chairman, I would like to propose the board approve the appointment of delegees to act in the absence of the executive director as outlined by Executive Director Whitney Brewster.
MR. TREVIÑO: Thank you, Member Bacarisse.
Do we have a second?
MR. GRAHAM: Second.
MR. TREVIÑO: All right, Member Graham, thank you very much for stepping up.
So I've got a motion and second. Any further comment?
(No response.)
MR. TREVIÑO: Hearing none, I would 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: I saw you look. Yes, Member McRae?
MS. McRAE: Aye. Yes.
MR. TREVIÑO: Okay. Member Prewitt?
MR. PREWITT: Aye.
MR. TREVIÑO: Member Scott?
MR. SCOTT: Aye.
MR. TREVIÑO: Member Washburn?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye, and so this motion carries unanimously. Well done.

All right. So now we are heading into closed session. At this time the board requests that all non-board members leave the closed meeting, with the exception of Matthew Levitt.

(Whereupon, at 11:13 a.m., the meeting was recessed, to reconvene this same day, Thursday, August 6, 2020, following conclusion of the executive session.)

MR. TREVIÑO: It is approximately 12:45, and the board of the Texas DMV is now back in open session. Will the board members please turn your video back on. I ask that the meeting host move Whitney Brewster and Tracey Beaver as panelists.

We will now move to agenda item 20, action items from closed session, when everybody is ready.

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

I just wanted to confirm that when the board went into closed session at approximately 11:13 that it was under Texas Government Code Sections 551.071, 551.074, 551.076, and 551.089, as outlined in the posted agenda.
MR. TREVIÑO: Tracey, thank you very much for reminding me. Yes, that is correct.

MS. BEAVER: Thank you, Chairman.

MR. TREVIÑO: Okay. So now we'll move to agenda item 20 from the closed session.

Tracey, are there any public comments?

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

No public comments.

MR. TREVIÑO: Okay. Any other comments then?

(No response.)

MR. TREVIÑO: If not, I would entertain a motion regarding agenda item 20.

MR. GRAHAM: Mr. Chairman, this is Brett Graham.

I move the board approve the combined evaluation for the executive director from our executive session.

MR. TREVIÑO: Motion from Member Graham. Do we have a second?

MR. BACARISSE: Second.

MR. TREVIÑO: Member Bacarisse.

Any further discussion on this topic?

(No response.)

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

Member Bacarisse?

MR. BACARISSE:

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?

MS. WASHBURN: Aye.

MR. TREVIÑO: And I, Chairman Treviño, also vote aye. Let the record reflect that it is a unanimous vote and the motion carries.

We'll now move to agenda item 21, public comment.

Tracey, are there any more public comments?

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

There's no public comments.

MR. TREVIÑO: Great. So unless there's any
further business, I would like to entertain a motion to adjourn.

MR. GRAHAM: So moved.

MS. GILLMAN: Second the motion.

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

All in favor?

(A chorus of ayes.)

MR. TREVIÑO: Let the record reflect that the vote is unanimous, and it is now 12:47 p.m. We are adjourned.

(Whereupon, at 12:47 p.m., the meeting was adjourned.)
CERTIFICATE

MEETING OF:  TxDMV Board
LOCATION:  via telephone conference call
DATE:  August 6, 2020

I do hereby certify that the foregoing pages, numbers 1 through 139, 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:  August 17, 2020

/s/ Nancy H. King
(Transcriber)

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