TEXAS DEPARTMENT OF MOTOR VEHICLES

AUTO BURGLARY AND THEFT PREVENTION AUTHORITY

BOARD OF DIRECTORS MEETING

9:03 a.m.
Thursday,
July 11, 2019

Lone Star Room
Building 1
4000 Jackson Avenue
Austin, Texas

BOARD MEMBERS:
Tommy Hansen, Chair
Shay Gause
Ashley Hunter
Linda Kinney
Armin Mizani
Justin Owen
Mike Rodriguez

STAFF:
Bryan Wilson, Director
David Richards, General Counsel
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MR. HANSEN: Good morning, everyone. We'd like to get started today. My name is Tommy Hansen, and I'm pleased to open the Board meeting for the Automobile Burglary and Theft Prevention Authority.

It is 9:03 a.m. I'm now calling the Board meeting for July 11, 2019 to order. I would like to note for the record that public notice of this meeting, containing all items on the agenda, was timely filed with the Office of the Secretary of State on Tuesday, July 2, 2019.

Before we begin today's meeting, please place -- that's a good idea -- please place all your cell phones and everything in the silent mode, please.

If you wish to address the board during today's meeting, please complete a speaker's card at the registration table. To comment on an agenda item, please complete a yellow sheet, as we mentioned a minute ago, and identify the agenda item, and if not an agenda item, we will take your comments during the public comment portion of the meeting.

I would like to now have a roll call. Member Hunter?

MS. HUNTER: Present.

MR. HANSEN: Member Owen?
MR. OWEN: Present.

MR. HANSEN: Member Gause?

MR. GAUSE: Present.

MR. HANSEN: Member Rodriguez?

MR. RODRIGUEZ: Present.

MR. HANSEN: Member Mizani?

MR. MIZANI: Here.

MR. HANSEN: Board Member Kinney?

(No response.)

MR. HANSEN: And let the record reflect that I, Tommy Hansen, am here too, as well, and we have a quorum.

I'd like to also reflect that Member Kinney is not here. I'd also like you to keep her in your prayers. Her mother became very ill and had to be admitted to the hospital and she had to go to Fredericksburg yesterday to take care of that matter.

I'd like to introduce the new ABTPA members. Mr. Shay Gause is one of our new insurance representatives. Shay brings a lot to the table. He also has some law enforcement background, so that's good for us in many arenas.

Shay, would you like to say anything?

MR. GAUSE: I appreciate the introduction and also the time spent last night by the folks who
presented, the hard work that the staff has done in preparing recommendations, and definitely the committee that reviewed those and brought forth recommendations last night as well.

MR. HANSEN: Thank you very much.

Mr. Rodriguez, welcome to the Board again. I'd like to comment he's one of our newest members and has really stepped up to the plate, and glad to have him aboard here.

The last time we didn't get to meet Justin; I don't think Justin was able to make the last meeting. Mr. Owen, DPS representative. Justin luckily has a short learning curve here. He worked with one of our task forces for many years, Motor Vehicle Theft Service, so he's well in tune with what we do.

Justin, would you like to say anything?

MR. OWEN: Thank you, Mr. Chairman. I'd just like to say I'm looking forward to working with the Board and with staff and with all of y'all grantees. Appreciate everything y'all do. Thank you.

MR. HANSEN: Okay. Our next item is approval of the transcript as minutes from the last meeting. I would like to make a motion to approve the transcript from the Board meeting of January 10, 2019. Is there a second?
MR. RICHARDS: We need to have one of the members make it.

MR. GAUSE: Mr. Chairman, I'd like to make a motion to approve the transcript from the Board's January 10, 2019 Board meeting as minutes.

MR. HANSEN: Is there a second?

MR. OWEN: Second.

MR. HANSEN: A motion has been made and seconded. Is there any further discussion?

(No response.)

MR. HANSEN: Hearing none, I will call for a vote. All those in favor of the transcript of the Board meeting of the 10th, Mr. Owen, please signify by raising your right hand.

(A show of hands.)

MR. HANSEN: All those opposed?

(No response.)

MR. HANSEN: The motion passes. Thank you very much.

Comments from the chairman and board members.

Most of you always know that I'm going to have something to say.

Good day to all. I'd like to comment on several matters here. First off, I'd like to thank, right off the bat, Justin and Mike for the amount of work...
they did yesterday to try to smooth this operation, what
we're going to have to go through today the best
possible. I would like to thank everyone in the room
that was here last night. For those that weren't, we
didn't get out of here until about 9:00 or 9:30 last
night, so it was a tedious long day.

I want to begin with this past year and the
legislative session was bizarre at best. I want to thank
all of our task force members who stepped up or had their
association step up to the meetings with legislators and
signing up for hearings concerning our bills. You may
say what good was it. Well, we'll discuss this later.
There were two bills passed that have a direct and long
term effect on the task forces and us in Texas. There
were many sleepless nights during this session, trust me
on that. Tons of adult beverages were required to get
through it.

I want to say a special thanks to our board
members who have moved on in the past year. We had some
members change and our new folks on. They all did a
great job and we want to thank them, and we want to
welcome our new board members to the chaos of the Auto
Theft Prevention Authority. And I'm not referring to Mr.
Wilson, I'm just saying. Come on, Bryan, you can smile.

(General laughter.)
MR. HANSEN: I'm looking forward to working with each and every board member. I would greatly like to see more interaction between our board members and our task forces. Several board members have already done some of this and the response was greatly appreciated by the grantees.

We as board members need to take responsibility as a board. There are a lot of things that need to be fixed, need to be moved, need to be changed, need to be deleted, but we need to do that as a team and that's only going to happen with better communication between us and everyone in this room. I think that came out yesterday, it was kind of a work session, so to speak, and I think there was a lot of dialogue and we need to have some more of those to move forward.

I want to especially thank ABTPA staff and DMV. During the recent tough times it was the teamwork and dedication that got us through this. Changes in the ABTPA office did not deter the remaining folks with help from DMV to keep us going.

Recently, thanks to Board Member Rodriguez, from Laredo, we had a meeting with the new DMV Board chair, Mr. Treviño. We discussed a lot of communications and a lot of issues that we share with them and we need
to be much more involved in their board as well as them coming to ours, and he was in total agreement to that.

This year, as past years, is going to be tough financially, however, I do believe there's light at the end of the tunnel and it's not a train, but I'm not going to hold my breath. Sunset Bill 604 will be changing our name and expanding our investigative authorities. More on that later.

House Bill 2048 will hopefully have long term positive effect on our funding. This past week, myself, Mr. Wilson, Mr. Miller from DMV and Mr. Lohman from the National Insurance Crime Bureau, met with Representative Zerwas at his office in Fort Bend County concerning House Bill 2048 and when will it have a positive effect on our funding. We had questions that even he could not answer, however, he assured us that he will get answers from his staff and the Legislative Budget Board. We received that answer and it's confusing at best. We'll discuss it at length later on in this agenda.

I've also had numerous conversations with Mr. Ryan Ambrose with Memorial Hermann Hospital, who helped develop House Bill 2048 because that's got to do with trauma centers funding as well, and more on that when we discuss this bill.

Our scoring mechanism obviously has been
something we're going to have to address because everyone
in this room runs a different type of operation, and
we're going to address that. I vow to do that.

We need to change our review process because
I'm fully aware that if we lose any task forces we'll
never get them back. That's just the way it works in our
world, and I am aware of that, having been in this
business for 45-1/2 years.

One of the things I'd like to comment that's
come up, and it came up during the legislative session,
is we're the best kept secret in the State of Texas -- we
are the best kept secret in the State of Texas. And
through the years -- and you're probably going to get
tired of me saying this again -- I've encouraged you to
visit with your legislators, I have encouraged you to
provide them with reports on what you do, I have
encouraged you, if you have a press conference on a major
investigation, invite one of them. I know you may not
like that, but they hold the purse strings here, folks,
they hold the purse strings. So that's something that we
need to get out, we need to promote this program better.

We do have a new program that Mr. Wilson will bring out
later on promotion of our deal, and I think it's
phenomenal, the new commercials and stuff. But the
monkey is on our back as a whole, not just the board, not
just you, but we've got to do this together.

We've got some issues with some of the grantees that I think are repairable, but we're going to have to fix them. But yesterday and today, right before we do awards, is not the time to do that. And this refers back to what I said before, those grantees that have some paperwork issues or dynamics within their grant that's causing grief for the staff or for them, we're going to set up meetings with you and we're going to come visit with you and we're going to fix these and we're going to fix them together. Okay? We're going to fix them together. That's how we're going to have to do this.

We're also going to have to, as it came up yesterday -- and I'm just throwing out things that we're going to have to discuss in the future -- is modifying our grant deals to avoid any more duplication of any grants, multiple grants in the same jurisdictional areas. We're going to have to address that, there's some legal issues with that, and I'm not saying we're throwing anybody to the wolves, but for the future we're going to have to bring that up.

I'd like to make it clear that we're going to have some tough decisions for now, and after the grant awards today, some of you are going to leave here happy,
some are going to be just relieved, and some are going to be just outright mad -- I almost said it, but mad. For that I'm sorry but we have to do what we have to do, and some of those problems are self-induced and we're going to work to fix those for the future.

One major thing that has made the ABTPA so successful has been the work and dedication by the task forces. The shining light has been the ability and desire of the task forces, regardless of location or size, to work together. From Amarillo to Brownsville and from Beaumont to El Paso, one of the things that's helped is we've worked as one, and we need to continue to do that. It's never been a question to assist an agency three counties away, however, in recent times this has not always been the case and this is not how we can accomplish the goals and objectives of the ABTPA.

I would like to think that the name change and the pending funding will be the start of a new and wonderful future for the ABTPA, or should I say MVCPA -- to say that slowly. This is going to be a tedious stressful day, but we need to work on that.

The other couple of items I've added to this that we want to discuss in the future and have a workshop. Obviously it came out loud and clear yesterday that there's some confusion on stats and what we should
be claiming in our coverage area and what we're not claiming in our coverage area, and some of you are shooting yourself in the foot by not doing that, and we need to address that. Also, we need to work -- and we've talked about this before but we've never followed up on it completely and it's time to do it, is in the same workshop to work on definition of what you should claim, what's an arrest and what's a recovery. Comment I heard over there. Obviously this is a sore subject.

I'll end with saying that ABTPA has been a part of my life since 1989 when it was a draft on a yellow piece of paper. I am honored to be in this position right here sitting up here talking to all of you, and I will continue to devote everything I have to the success of this program, but we need to do this as a team because we are a team, and that's what's made us successful to this point.

That's all I have to say.

Also, we have a few congratulations here. Mickey Tolbert retiring from the North Texas Task Force. Is Mickey here today? Well, if anybody has been around a while, you'll know who he is. Good luck on his work to the future there.

Harris County, Sam Cerda. Is Sam here today? Sam is also retiring, as well as Brian Quiser. Is Brian
here today from Harris County? No. Okay.

Good luck to all those guys in their future.

Retirement is a big decision for all of us to make in our life and it's a tough way to go.

Board members, any comments, anybody?

(No response.)

MR. HANSEN: None. All right. You had your shot.

Briefing items, Mr. Wilson, number 2, discuss and consider de-obligation of the grant awards 2019.

MR. WILSON: So I apologize for the S on the end of that sentence on the agenda item. At the time that we were doing the agenda we had two, and then withdrew one prior to the creation of the book, so it wasn't a typo, it was the consideration that we were engaged in at the time.

But what you have starting on page 13 of your board book is that on March 25, Harris County withdrew seven investigators out of their task force and then about a month later they submitted. And then, of course, we did know it was coming so it wasn't a violation, this is a new process and we didn't quite know how to move through it, but it is unusual. We talked about de-obligation in our administrative manual but we don't provide a lot of detail, we don't expect it a whole lot.
So one of the things that they did, they went to their commissioners' court, moved the seven officers out of the grant, and then submitted a reduction in grant. The full value of the program went down by 330,000 and some dollars, and so ABTPA's portion of that that we need to de-obligate is $110,000. Now, in the past we've people not spend money and we just lost the money back into the general fund. In this particular case with our current funding system, if we don't de-obligate this money and get it off of a purchase order that's registered with the Comptroller right now, then we would just lose all of this money.

So since the commissioners court in Harris County has already taken this issue up, they've already told us what they were going to do, I don't have the authority under our current policy to de-obligate on my own, so we took this opportunity to get this $110,000, if you agree to de-obligate this money, Mr. Richards has prepared an order that the chairman will sign, we'll send it over immediately through the financial system to drop our purchase order for that obligation in the CAPPS system with the Comptroller, and then that money will now be available for this meeting to obligate into the future. Okay?

Now, a lot of things can go wrong in that
scenario I just described, so we're going to do the best we can, but I want you to know I'm not in control, the Comptroller is in control, he's the elected official to manage the state finances. What we're doing, based on information and negotiations with the Comptroller's staff and the Texas DMV, the best strategy to get that money released off of the PO so you can obligate it later in this year.

Any questions?

MR. HANSEN: Thank you. Do we have a motion?

MR. OWEN: Mr. Chairman, I'd like to make a motion to de-obligate $110,000 of the FY 2019 grant award made to the Harris County Sheriff's Office, and to allow the ABTPA director to amend or reissue a statement of grant award, as displayed on pages 13 through 15 of the ABTPA board meeting book.

MR. WILSON: Mr. Owen, thank you.

Is there a second?

MR. RODRIGUEZ: Second.

MR. HANSEN: Mr. Rodriguez.

A motion has been made and seconded. Is there any further discussion?

(No response.)

MR. HANSEN: Hearing none, I'll call for a vote. All those in favor of de-obligating $110,000 of...
the FY 2019 grant awards to the Harris County Sheriff's Office and to allow ABTPA director to amend and reissue a state grant award, as displayed on pages 13 to 15 of the board book, please signify by raising your hand in favor. All in favor?

(A show of hands.)

MR. HANSEN: Any opposed?

(No response.)

MR. HANSEN: None. The motion passes. Thank you very much.

Item number 3, discuss and consider adoption of the FY2019 budget and FY2020 budget, including amounts to award for the 2020 grants. Mr. Wilson.

MR. WILSON: Some of you that have been on the board a while know that about every time sometime in the summer I go scrambling through the ABTPA portion of the DMV budget and try to identify every single item that we thought we were going to spend, we thought we were going to buy, we thought we were going to obligate at the beginning of the year, and then I clean all of those categories out and then move them into the grants line item.

Now, this year we have a little bit of a surprise, we'd actually be down over another $136,000 except for the fact that two years ago this board asked
the LBB and the Governor for permission to carry forward
the unexpended balance from '18 into '19, and so because
of that, we're sitting a little bit better than we should
have. I only had anticipated we had less than $600,000
with this de-obligation and the unexpended balance
authority, but the LBB did put kind of, I guess, a catch
or a dedication when they moved that money, and the
Governor as well, when they moved that money they said it
can only be spent on grants.

And so that's where this composition that you
see in your board book on page 17 is a budget change
really in the first line for the $35,000 this board
awarded as a contract amendment to Texas A&M University
to do that bait car research. We just ran into a lot of
issues in trying to get the contract amended and all the
things, and Ms. Flores and I had a meeting a few weeks
ago and said, you know, you guys have the authority to do
a grant on that and we can just bypass the whole system
because your authority is mostly grants, you've done the
NICB, you can turn this into a grant, and then I don't
have to go through all the contract amendment processes.

As many of you have probably read over the
last four or five years, there's been some serious
contract problems with the State of Texas, and even
though it seemed like a slam dunk with an interagency
agreement, it still gets caught up into the multiple layers of process and review and approval outside of this board.

So you awarded this in January, I've been working six months, David and I, to try to implement what you told me to do and it's been just nightmare after nightmare. And so we're just converting this into a grant, we carry the money off into the future, and if you're okay with it, that's what we'll do. Texas A&M will have time to do the research, and remember, the federal program we were trying to mirror on this was officer-directed bait car research. The feds started a new program doing officer-directed research instead of having it kind of top down, and so that's what drove this whole policy to try to figure out why we have so many good operations that result in lots of arrests and cleared cases on bait cars and then some apply numerous bait car opportunities and don't.

The other thing is then that's $800,000 which is partly constructed, again, at the top of page 18 -- sorry -- 17. That's $110,000 that you just de-obligated form Harris County and all the other categories I've been able to clear out and move into this category. So that's for '19, that's the current year we're in, to move that money and make it available for what we're going to be
talking about today in the FY20 grants. And then the rest of it is this information about how we're going to be spending the money on this going into this next year.

The staff recommendation is that you authorize me to convert into a grant the Texas A&M University research project, take all available funds and make them available for the grant considerations that you'll be doing here in a little bit, and then finally, approve the FY20 budget, as indicated on this sheet.

Any questions?

MR. MIZANI: Bryan, the A&M research, that $35,000, I know we're looking at converting it from contract to grant, is that the same amount as it was in the last fiscal year?

MR. WILSON: Well, in this current fiscal year in January when you approved it, it was $50,000, and $15,000 was to do some enhancements on our data tracking system prior to the application process and changes we wanted to make and to facilitate the application and collection of data. That went out the window. You know, obviously you're looking at the final products of the grants and none of those enhancements got taken care of. So it was $50-, but the research portion of it that we presented to you in January was just $35,000.

MR. MIZANI: So then can we anticipate for the
next ongoing fiscal years that that amount is going to be then the same, the $35-?

    MR. WILSON: Not necessarily unless this group or this board decides, you know, we got some good information from bait cars, let's do something on LPRs or let's do something -- in other words, it's supposed to be driven into the process of who's actually implementing, or at least that's the federal model I'm trying to implement at the state level.

    MR. MIZANI: I guess what I'm trying to get at is do we have a year-to-year contract with A&M or is this a long-term contract we have and if we want to add additional things then we can do that? But what is the fixed term that we have with A&M?

    MR. WILSON: It was a four-year contract to develop and operate the system on A&M's servers. It has one more year -- I think we're going to be covering that here in a few minutes or towards the end of the board meeting. That is for the grant management tracking system to make sure we have data. I mean, last night a bunch of stuff came up, you know, how many bait cars, how many arrests, and we can immediately respond to the request. So that's the data tracking system and we have one more year on that contract, and then it will have to be renewed and usually it's renewed -- again, state
obligations are always for one year with multiple
renewals allowed. So I just want to be clear, whatever
you do it's always for one year, and then David will
write a contract with four extensions or three
extensions.

So we have two pending contracts right now,
that we'll talk about later, that is part of this money
but it's a separate issue. One of them is this GMTS or
A&M contract for the grant tracking system, and that was
a four-year contract with one year and so we're getting
you to authorize us to extend it for another year, so
this is the budget side, but then there's also David
needs the authority to provide the actual authorization
to extend the contract, so that's two pieces. I'm taking
care of the money right now.

The second contract that y'all maintain on a
regular basis is the one with the Comptroller of Public
Accounts. We pay them $10,000 to run the webfile system
so that all the insurers don't have to send in a hard
check and fill out a paper form, they already have the
system to do that, so we've just been paying them $10,000
to run their system for us and collect the $50 million.

MR. MIZANI: Okay. Thank you.

MR. WILSON: Does that help you?

MR. MIZANI: Yes, it does.
MR. WILSON: But when we're obligating this $35,000 today, when I actually give the award to A&M if you approve it, what I'm actually doing is that award will go on '19 money all the way to March 31.

MR. HANSEN: Any other questions, comments?

MR. MIZANI: I'd like to make a motion.

MR. HANSEN: We have a motion?

MR. MIZANI: Mr. Chairman, I'd like to make a motion that the board adopt the updated fiscal year 2019 budget and obligate an amount not to exceed $800,000, as recommended by staff, to fiscal year '19 ongoing grants, as displayed on page 17 of the board meeting book, and I further move that the board adopt fiscal year '20 budget, as displayed on page 17 of the book.

MR. HANSEN: Is there a second?

MR. GAUSE: Mr. Chair, I second the motion.

MR. HANSEN: Mr. Gause.

A motion has been made and seconded. Is there any further discussion?

(No response.)

MR. HANSEN: Hearing none, I will call for a vote. All those in favor of adopting the updated FY19 budget and obligating an amount not to exceed $800,000 to FY19 ongoing grants, and adopting the FY20 budget, as displayed on page 17, please signify by raising your
hand.

(A show of hands.)

MR. HANSEN: None opposed. The motion passes.

MR. HANSEN: Number 4, review, discuss, and consider changes to the FY2020 request for applications and ABTPA grant review process.

MR. WILSON: Mr. Chairman, this is Bryan Wilson, for the record.

So this is where it gets a little fuzzy because we had a six or seven hour meeting last night, maybe it felt like nine or ten. So this is where we probably need to defer to the committee chair -- sorry to do this -- about what parts of this you would like me to cover, because I did a pretty extensive layout last night. I'm not sure that that needs to be done again, but if you think that some parts of it need to be brought out, then I think before we move on.

Although there were no votes taken last night on this matter, the committee that met did not seem to be in the position to adopt a change in the RFA process or the grant consideration, although the net result will result in a different process than what was posted in the RFA. In other words, what was discussed last night and the general consensus from that meeting was that you would alter the published RFA to meet the different
standards.

So I will lay out, like I did yesterday in the meeting, this process, but I'm not sure you want to hear all that and then not follow it. So I have to defer to the committee chair or to you, Mr. Chairman, on what to do next.

MR. HANSEN: I feel that this is something, obviously, that when Mike finishes what he's going to say that we probably are going to need to put on an agenda for the next board meeting to make whatever changes, doing away with the current, developing new, or whatever we decide. If that's the direction that we're going to go, this is something that's going to need to put on the agenda to make that decision at the next board meeting. Is that correct, Mr. Richards?

MR. RICHARDS: It would have to be the next one, yes. That's right.

MR. HANSEN: So there's nothing we can actually do today but I think it would be good for Mike to lay out their recommendations, their findings from yesterday.

MR. WILSON: Well, this is a different action item -- sorry, I didn't mean to interrupt, Mr. Rodriguez, you did get recognized.

MR. RODRIGUEZ: No, that's fine.
MR. WILSON: This is a different action item than what the awards are. This is do you want to consider -- does this board want to consider changing the process that you published. Remember yesterday we talked about that at the grant meeting, but two steps: number one, do you want to make a change before we consider these grants, and if you do -- and that's when I laid out the scoring system and I went through all the detail of these pages -- and then you talked about what grants should we award.

So it's fine, Mr. Chairman, but I just want to make sure that we follow a process. Number one is if you don't want to discuss this agenda item, just go on to the next one, and then that's where we'll lay out what was discussed last night.

MR. RICHARDS: Can I say something?

MR. HANSEN: Yes.

MR. RICHARDS: Mr. Chairman, this is David Richards, legal counsel. Mr. Wilson, I think for the benefit of those members who were not here yesterday, if you could even give a thumbnail sketch, I think they deserve to hear each agenda item that's posted so they know what the process -- how it unfolded yesterday.

If that's all right with you.
MR. HANSEN: No, that's fine.

MR. WILSON: So the scoring system is an entirely online system, it has two components. Obviously it orders the applications into a system that the board adopted in 2014, October of 2014. It was done on paper until we went to the online system and now it's done electronically. So the applicants fill out a logical application but for the scoring system, as the ones that participated in the scoring, it brings up only the text that you need to consider that score.

So what you see in the board book, and again, I'm not going to go into the detail of last night, but it's different sections, a budget section, a needs section, and we had three board members that scored these applications. Two of them did not do the budget, the third one did, so I deleted the budget just to make it mathematically consistent. Then two staff people scored all sections. So that was the result that came out in the scoring mechanism in the book when we gave you the scores at later pages.

So beyond that, there's some rules that the board adopted several years ago that were conditions which somebody couldn't get a grant from ABTPA if they couldn't hit the needs structure. In other words, if there weren't enough auto thefts in their area as set by
the board, which is the raw DPS stats, then they could not get a grant under your system, under the adopted system. And I believe there were a couple, there was one we couldn't determine because it was the type of program that wouldn't lend itself for us to calculate that, and then the other one -- was it two, Dan? There were two that there was not sufficient auto theft for this body to provide a grant.

Any other questions? Again, that's the thumbnail, high level. That's all I would have on that issue.

MR. HANSEN: Mike, did you have something?

MR. RODRIGUEZ: Yes, Mr. Chairman. The mechanism that was put in place by staff was not entirely used by yesterday's committee. Myself and Board Member Owen saw the recommendation and most of the numbers that we saw -- and I'll give an example, Houston, for the City of Houston to just fund at a level of $350,000 did not make sense to this committee, so we took other things into consideration when recommending a certain number for a specific grantee, and for that reason I'm not going to say that we entirely moved away from the mechanism that the staff did and used, but we did some digging into what would be best for that grantee.

And again, there's going to be some rules put
in place for every grantee that is going to be awarded today, that again, I keep conveying this to everyone that we need to just do better at our stats, but I will go into that once we move into the next item.

MR. HANSEN: And this goes back to what I mentioned earlier is that we discovered yesterday that some of the grantees were cheating themselves out of numbers that should be available for their service area and other areas like that were discovered yesterday. And so I commend the committee yesterday for looking at the real facts and let's try to get everybody through this and then move forward to fixing that for all the grantees for the future.

So thank you, Mike.

Any other comments?

(No response.)

MR. HANSEN: We don't need to vote on that one, do we?

MR. RICHARDS: No.

MR. HANSEN: Moving forward to number 5, review, discuss, and consider data elements provided in applications and other reports to meet ABTPA statutory requirements.

MR. WILSON: So this is a pretty brief section. There's kind of a layout on page 31 that
depending on what you decide to do later in the next agenda item, we just need you to know that there are certain things that have to be taken into consideration when you look at the law and what my responsibility is under the Uniform Grant Management Standards, which is part of the law. I mean, I want to be clear, the Uniform Grant Management Standards are in Chapter 383 of the Texas Government Code. All state agencies are required by law to follow that standard, it's not an option.

There are sections that allow governor-appointed boards or legal authorities to waive a specific requirement. In other words, you have to do it deliberately because if you leave it to staff, I can't do anything. But you can say we're going to fund pink underwear across the entire state, it's not necessarily reasonable, it's not necessarily rational for this program, but you can take a vote and if you agree by majority vote that that's something you want to buy as part of this program, then there's nothing as staff that I can do to prohibit a law enforcement agency from charging us for those expenditures. So I just want to be clear, the board has discretion to make its choices but it can't rely on staff to go over or violate any of those standards.

So one of the standards adopted by the
comptroller is called supplanting, and supplanting is
where if you were doing a brand new program and every
year you paid for a police officer and then all of a
sudden -- and this board has dealt with a jurisdiction a
few years ago that had eight officers, they wanted to go,
Poof, two of them are now auto theft investigators and
they're still going to end up at the end of the grant
cycle with eight officers, that's supplanting, and the
board chose -- you weren't willing to do that. You would
gladly, for a large urban area, buy two new officers as
long as they backfilled and ended up with a total of ten.
That's not supplanting. But you could have, and as
David pointed out years ago, you could have done that, I
can't. I want to be clear about that, I can't do that.
You could have chosen to let that jurisdiction have that
supplanting and had a total of eight officers when, Poof,
two of them would just be turned into state funded
resources. As you decided years ago, it was not a wise
use of money but you could have done that and that's why
it was before this board.

In this case there's some grants specifically
to -- laid out on page 31 -- if you decide to award them
and you don't deal with the supplanting issue, I will not
be able to solve that problem. In other words, you have
a jurisdiction who gave $1.4 million in contribution last
year to an ongoing program -- or is it $1.2-, and they've reduced it to $600,000. So if you say give them an award for X amount of dollars and they have $600,000 in match, if this board doesn't take care of that and either waive it, say, Bryan, you can negotiate up to half of it, whatever you want to do, then I can go forward with legal counsel and I can try to negotiate, okay, you're going to get a million dollars, you cut your match by $600,000 but if you'll raise it back by $300,000, we'll be good, you can have this million dollars -- throwing out an example.

But what I'm really worried about, after the discussions last night, is if you award that amount and I've got two major -- one went from $1.2 million down to $500,000, and he sent you a letter this morning or last night that I placed in front of you, he's saying it's a new grant, every year is different. Well, that's not the way the feds work and that's the way other state programs and it's certainly not what you can read in the plain language of the Uniform Grant Management Standards. If you have an officer already funded, you can't just pull those officers out and say, Now I want to use state money for doing that.

So I just want to be clear, on this item there are several things that are currently going on in these grant applications that if you award the amounts that the
committee is thinking about proposing here in a few minutes, I won't be able to do that award unless you say waive the match or waive the -- and keep in mind that the second part of that is if you do it with these, you have all the other ones that are still on the hook for the full amount of the match, and so you'll have to deal with the equity issue of the board. It's not my place to tell you what that is, I just want you to know that all the other grantees who came in at full match or cash match will then be on the hook.

So like I said, Houston reduced their match, City of Houston, on this grant by $858,000, and then you have Harris County went from $2.3- down to $500,000, and that's the letter you have in front of you that's the sheriff saying that should be totally acceptable to you. I'm the one with the problem.

Any other questions?

MR. MIZANI: I'm waiting for that Southwest commercial: "Want to get away?" I didn't hear it yet.

(General laughter.)

MR. HANSEN: Okay. A question then. If we later adopt the recommendations of the committee and the amounts set forth in that recommendation, there are mechanisms in place that before they accept that we can go back to that grantee and say that this adjustment or
that adjustment will have to be made before you can actually receive it.

MR. WILSON: Absolutely. Again, the Uniform Grant Management Standards is very plain that I can't do that, Bryan Wilson, grant administrator, director of ABTPA staff cannot do anything. The Comptroller can do stuff and you can do things as a board. But if you make that award and this is $500,000, I can't give that award.

David, you're the legal counsel, but I don't see any way under Chapter 383 that I can issue that award unless you say, We're waiving the match, fine, just give them the million dollars -- again, I don't have the number in front of me but whatever the grant is -- give them the million dollars and don't worry about the match; we're taking a definitive action as a board saying let it go, they'll only provide $500,000, and so they go from $2.3 million down to $500,000.

MR. RICHARDS: Mr. Chairman, David Richards, for the record.

Mr. Wilson's statement is accurate. We're going to have to either negotiate them or you're going to have to waive it, and whatever the repercussions of that is, vis-à-vis the other grantees, should be taken into consideration. But Bryan is accurate, he cannot do that by himself.
MR. MIZANI: So you're looking for direction.

MR. WILSON: Well, in this agenda item you're either going to take up what you would like to do, in other words a strategy, if you will, that the board can deliberate and say that for these two -- there's some smaller ones on the list but our threshold is 5 percent, anybody can move 5 percent, that's always been the board's standard, we publish that out in the RFA, if you're within 5 percent. So people can get cost of living increases and things like that, we get it, budgets are budgets, they're planning documents, not legal documents. So we understand that there's movement, so the board has always used for the close-outs and things like that 5 percent. So there are a couple that are just outside of the 5 percent, I think one might 10, 12, something like that, but they're not far out. These are double and triple digits and they're huge sums of money.

MR. MIZANI: So in my opinion, Bryan -- and I don't know, Mr. Chairman, are you looking for us to just conversate what our thoughts are?

MR. HANSEN: Yes. Go ahead.

MR. MIZANI: So I think my position would be look at the four corners of our requirements, I think if we were to waive it sounds like we're going to have an equity issue, right, if we waive it?
MR. WILSON: I mean, I can't speak for the grantees but these are cities and counties that are represented here today, and so if you took one large jurisdiction and really greatly reduced. I've been negotiating with many of these for years on other issues. They've tried to press their cities and counties, even board members represented here today, that their jurisdictions have felt the weight of a lower -- in other words, wanting to increase their reimbursement rate. I'm just saying we'll have to figure out a strategy to say either we'll give you the million dollars but you've still got to put in the two million, which they probably won't accept that because they wrote a grant application saying they wanted some relief.

And I don't want to spend too much time, but on the other hand, as we went through a $2-1/2 million cut two years ago, as we've gone through other stagnant fundings where their programs have had to grow and their cost of living went up and the health care has skyrocketed in much of these last eight years, all those jurisdictions have picked up the slack to keep this program operating. So I don't think it's irrational to recognize what their trauma is in trying to justify why does Harris County, for instance, pay two-thirds of the operating cost to our one-third of the grant when many of
these grantees are getting 80 percent reimbursement for a 20 percent match. So I don't think it's irrational what they're asking for but it just leaves me unable to deal with it on my own. The board has to come up with a way to say, well, they turned in a new application, they followed our process but we know that it is still an ongoing grant.

In the case of Harris County they've removed a lot of their officers, so they've already taken out a lot of their structured costs, but as we heard last night in the committee meeting, Houston didn't change any of their costs, they just moved it into a different category, so to me, that's an easy fix is to bring some or most of it back over, if they're willing to do that, but if you give me the authority, I can go negotiate that if you give me a dollar amount that I can address it.

Now, the Harris County thing is much more difficult. I don't know. They've made it clear, through my personal conversations with the chief deputy and their accountants and things like that, they are not willing to continue funding this grant at the current level.

MS. HUNTER: Sorry. Why are we making this harder than it seems to be? I mean, if it's 5 percent, do we need to change the rule, or I just feel like we're going around in circles trying to make the thing work for
one or two groups. I mean, I get what you're saying but the problem is it's like, okay, we're just spinning our wheels here. Like what is it? You've got two or three people who want more so you're going to pull from others. I guess why is this? Why don't we just say no?

MR. MIZANI: And I would second that as well.

Mr. Chairman, I think my inclinations are we stick with it. I wouldn't want to waive it certainly. I think there's an equity argument to be made for all the other agencies, and so I would agree, I think if we've got a 5 percent number, I would want to stay close to that. I would not be opposed if this board wants to negotiate and give staff the authority to do that, I also wouldn't be opposed to that, but I think we have to be cautious.

I think the sheriff's letter was well written, it was convincing, but he did have a line and I think his argument was, "The county's fiscal position is natural ebbs and flows" and so we ought to consider that, but at the same time so does the state and so does this agency or so does this task force. And so I would just second what was just stated for those reasons.

MR. HANSEN: But the reasoning on that letter from Harris County, that was truly based on the fact of the original scoring process. In that document there was recommendation that they not be funded, period, and
that's not the direction in any way, shape or form that the committee wants to go with that.

MR. MIZANI: I'd agree with that.

MR. HANSEN: So in knowing how this works, for these folks out here in the audience, I think moving forward with the awards and negotiating because these people out here are not in a position to stand up to that podium right now and make a decision without it going through authorized personnel within their agency. I think most of these grants have been around long enough that if we can do these awards appropriately, that if we cannot come to a negotiable agreement, then we'll take that money and move it elsewhere. But it would pain me to see us today lose or take a chance of losing one of our very key programs or any of our key programs, or any of our programs -- they're all key to this mechanism -- without not going to the end of the limit to do that.

And I think so if we can do that, give Mr. Wilson the authority to do the awards accordingly, whatever the board decides to go with, and if it anywhere resembles what the recommendations are, then I think at that point in time we should authorize Mr. Wilson, and I think if it requires one of the board members to also go sit down with chiefs and sheriffs or whatever to bring the numbers to something we can live with or something
close to it that we'd have to come back and approve, then
I think I would like to move forward in that direction.

MS. HUNTER: What are we negotiating, first?
I mean, someone is on Mars and the other person is on
Earth. I mean, it's not even talking the same language,
so what's the number, like if they're within 10 percent,
if they're within five? I mean, at this point we're just
making up numbers. If the number is five, then so what
is the number?

MR. HANSEN: Well, the problem we had is most
of these grant applications were based on the assumption
or the hope that we were going to have additional funds,
and that's not the case. So we're kind of back to square
one from the original where we were the last cycle as far
as at least for now, the first year of this budget. So I
think it's just a matter of them realigning their match,
once they're given an award to get their match to meet
the requirements, but it's hard to do that when you were
applying for this and now you're getting this and you're
not sure what your match should be until you get awarded.

MS. HUNTER: Well, I guess that is my point
because if we're not getting additional funding and then
we're not even following our own rules, that's not going
to look great the next time we go to the lege and ask for
money. Right? Like we're not even following our own
rules. I mean, that's just how I'm looking at it.

MR. HANSEN: Okay. Any other comments? Any direction?

(No response.)

MR. HANSEN: Before we move to item number 6, which will be consideration of the new grants, I'd like to move public comment up because the two that we received are concerning the grant awards, so I'd like to move that up, if the board is okay with that.

First one, Mr. Hale, Richard Hale, Travis County. If you could state your name and who you represent when you get started.

MR. HALE: My name is Richard Hale, sergeant with the Sheriff's Combined Auto Theft Task Force. I'll start out on a little jovial note since everybody is so solemn right now. After leaving last night, I put the address for Waze to come back here this morning, and it was the first time that Waze ever told me not to come, but I'm here.

(General laughter.)

MR. HALE: So what do I represent? I represent a 17-county task force that currently has six agents assigned, one of those is at 50 percent. The Sheriff's Combined Auto Theft Task Force is comprised of 17 counties: Guadalupe, Comal, Hays, Jefferson, Travis,
Wharton, Bell, Blanco, Caldwell, Colorado, Fayette, Gonzales, Lee, Milam, Llano, Williamson and Wilson. That's a 17-county area that we're required to cover.

In the request that I submitted for the grant award, which was a continued grant, it only included a salary increase and direct operating expenses. Having been involved in the legislative process and being at the Capitol, I was very unsure whether we were going to get the funding or not, so I stayed on the safe place that I thought would be the best choice. So what ended up happening was the recommendation from staff was to reduce the grant award which left us in a deficit of some $13,800 for salaries.

Last night, after the board discussion, we received notification that they would be all funded but some would have to take a hit, some would have to be reduced. Thinking that surely salaries would be important to keep agents on and not have to cut anyone's salary, I felt confident that the board would recommend the minimum that I needed which was $645,253 just to meet the salary obligation for the grant. However, the rollback was to the previous grant year which reduced it another $354, so instead of the $13,000 shortfall, it's now $14,116 in salaries.

The recommendation also indicated that the
SCATT unit was supplanting. I had no prior knowledge that we were supplanting. We emailed the ABTPA staff to get some guidance on that and I was surprised to see that beginning the third quarter of this year that we were supplanting, and I still have no explanation of that today.

Lastly, we answer to 17 sheriffs, the board of governors. They meet twice a year, they're our governing body, they dictate to us how we operate and how we do things. So if I'm going to be cut -- and it's a financial decision, I understand that -- I would respectfully request that I get something in writing that I can bring to these sheriffs, that I can explain to them why we're cutting this percentage or we're going to take an agent out of a county, so that I can inform those sheriffs with the proper response on why this is happening.

Thank you.

MR. HANSEN: Thank you, Richard.

Next would be Victoria. Jerry.

MR. SEPULVEDA: Detective Jerry Sepulveda, Victoria Police Department.

And it's the same lines as the communication, knowing what's needed and what's not needed. It was a grading system used to calculate whether you were
approved or not. We would like to know some feedback,
what was wrong, what we did right, what we did wrong.
That would be great so we could improve next year.

I saw that you have excellent on there, I'd
like to get excellent, so if I didn't do that, I'd like
to improve it. I don't know and if we could get some
feedback or some paperwork saying this is what you're
doing right, this is what you're doing wrong. So just
feedback and definitions on what's required, we'd be
really grateful from y'all.

MR. HANSEN: Thank you, Jerry. That goes back
to my comment earlier about better communications between
us and task forces.

The last one, Houston PD.

MS. HITZMAN: Good morning. My name is Dana
Hitzman. I'm the commander of the Auto Theft Division
for the Houston Police Department.

I just want to clarify some of the statements
because I feel like the whole story is not being told
here. The Houston Police Department is still giving the
same $1.2 million that we gave in the previous grant. It
was all previously under cash match, half of it's been
moved to in-kind. We're still paying the same officers,
it's still coming out of our pocket. Not only did we
meet the 20 percent cash match, we're at 28 percent. We
are in compliance with the requirements of the application. Those facts are not being told to the board, so I just want to make sure that's presented.

I also have Leann Hoang, from our budget and finance, who would like to speak about the other budget issues.

MS. HOANG: Well, first of all, we've been audited by the federal government every year, and one of the subjects that they audit us was supplanting, and HPD was never fined on supplanting, so I don't know. We have 14 officers that was directly working on this ABTPA projects and they continue to work. We just add an additional eight people in. If you award us or not, we will take them out, but it was never supplanting.

What happened was we did not -- that full reimbursement was based on actual costs that was last year and this alone we made sure that we will meet the cash requirement. So for us, I come to Director Wilson and asked him for advice, and the advice from him was to say, well, other agencies do this, if you put the in-kind match, then you surely will meet your cash match so you can get full reimbursement on actual costs which is for this program. So that's all we did was put in an in-kind match because it was not going to affect -- we wanted to make sure that we will meet the cash match portion so we
will get full reimbursement based on the award amount.
That's all we did.

But the cash match and in-kind basically are actually cash that was paid by the City of Houston as a match, it's just the reporting is different. It has nothing to do with we're not meeting the cash match. We still have to report the in-kind match and cash match, it's just the category that we split it at. It has nothing to do with supplanting or that we did not meet the requirement of the grant saying that we should do.

So to me, that statement is incorrect. If you awarded us, it's not because we are supplanting, that means you have to award everybody that's supplanting. We are not supplanting, period. The 14 officers that work on this grant for the last how many years, 27, 25, is continuing to work directly for this grant to enhance the others of that department that we have already. And we've been audited by the feds every year and we never find out HPD has been supplanting. I just want to make that clear. The only reason different from $1.2 million cash match because we split because we want to make sure that we get reimbursed based on actual costs to operate this program

MR. MIZANI: Quick question, when you say in-kind, I know you don't them in front of you, but what
were some of those in-kind items?

MS. HOANG: It's personnel.

MR. MIZANI: Personnel.

MS. HOANG: Personnel. The requirement of the grant is 20 percent, correct, cash match. But to made sure we meet the guidelines. The rest is in-kind but in-kind doesn't mean the buildings, it's the cost of the FTE position that was an in-kind. It still costs the city actual cash, they have to fork it out. It's still $1.2 million, no less than it was last year, the year before.

We want to make sure that we meet the cash match, the percentage that you calculate based on the total amount, cash match plus what ABTPA reimburse us by percentage and we want to show that we meet that percentage by lower our cash match but the cost of operating this grant is still two point something million dollars, and we matched $1.2-.

MR. HANSEN: Good. I applaud your enthusiasm.

(General laughter.)

MS. HUNTER: Do y'all want to explain the discrepancies?

MR. WILSON: I'll try not to make it complicated. So first of all, I thought I said a few minutes ago in front of this board that for Houston it was just an accounting issue. They moved $600,000 from
one line to another. The grant that we have in place and has been in place for many years has three columns:

ABTPA funded, cash match, which this board has authorized DPS and NICB to used in lieu of, and then the third column is in-kind.

The legal definition of in-kind and the way we apply it is a little bit different. Legal definition means Whataburger gives you $1,000 to run your program so you can do parking lot things, that's in-kind. What we've allowed is for these large cities and jurisdictions, but even small ones, to count all the other resources. Lubbock gives free rent and they count it as in-kind because there are a lot more costs that go into this. So even though the definition in UGMS is third party, we just say, you know what, we understand and we want to report to the legislature the full weight of this program, and so on your legislative report you see over $10 million in contributions and in-kind. And I want to be clear that when I talked earlier -- so that's the issue, in-kind is not counted in the calculation, it's just also, in addition to.

The other thing Houston has 14 officers, and what most of the larger jurisdictions do is they take -- because like El Paso, San Antonio, they have a much larger unit and so does Harris, and so what I'd suggested
that they do in future years is to take this other 16
officers that are proactive officers who are doing the
exact same thing that our grant-funded officers, and I
said, Call them in-kind and then that way if somebody
retires or you have turnover in the grant-funded unit,
what San Antonio did a month ago was they simply took one
of their in-kind officers, moved it into the grant-funded
position for the six or eight or three months that it
takes to backfill a detective through sergeant boards and
all that stuff, so they get to continue counting and
accruing money and getting reimbursed for that full-time
officer. And in the case of San Antonio they let me
know, well, we took Bill and put him back in the in-kind
column and now we've got Sally here. So that's what I
had suggested to Houston.

What they did was they took the 14 officers we
were paying for and moved half of their salaries into
in-kind. That's a different animal. Again, I want to be
clear, I did not say Houston, Texas has supplanted. What
I said was this board has to consider before they make an
award how for me to deal with that issue so that they
don't supplant. They have never supplanted, they're not
supplanting now, they didn't supplant three years ago.
This is going forward that if we grant the award and
don't deal with the supplanting issue -- in other words,
we're not issuing a grant that's going to supplant. You're either going to waive it, you're going to put it at 5 percent, but if you say, Bryan, give them a million dollars, and you don't give me any direction, then the only direction I have is the statute.

And as I said earlier, they can fix their issue just by moving the $600,000 back into the cash match, taking the other 15 officers or 16 officers and move them to in-kind, and any time that they have an opening -- you know, I tried to explain to them if there's training dollars over here in the grant and these other 16 need training, if they're in-kind, if they're on the grant page, you can train them, you can buy gas for them, you can buy paper clips, you can buy whatever, because now they're part of the grant, they're just not being funded.

And again, that's what most of the larger jurisdictions do. They put them in the in-kind for two reasons: one, to show the effort, and the other so that they can use training dollars, fuel dollars. I think even Laredo does some of that, I'm not sure. I think they have some in-kind officers that they can apply grant-funded resources to the full cadre of people that are doing the work.

That's the best I can explain, and I think it
was a misunderstanding, and I apologize. I've done my best to communicate that as a strategy that other grantees were employing that that would be a good strategy, because they did have the other 64 officers that are not on the grant that I thought would be a good idea to at least show some of them so they could apply those resources and make sure that they spent all their money.

MR. RICHARDS: Mr. Chairman, I'd like to ask a question of Mr. Wilson.

Who are some of those grantees you referred to that are doing that?

MR. WILSON: El Paso and San Antonio are two of them. Austin has something similar but I'm not sure that they use that technique. Tim, do you remember? I guess we did that last year, right, where you moved an officer in?

MR. RICHARDS: Okay. Thank you, sir.

MR. WILSON: Tim Thompson from Austin.

MR. HANSEN: I'm not sure if this is a question or a comment, but based on his explanation of whatever confusion happened, Houston, are we in agreement that this is an easy, we can move on?

MS. HITZMAN: In agreement, yes.

MR. WILSON: We can talk about it.
MR. HANSEN: Very good. Thank you.

MR. WILSON: Anna Hitzman. I was just going to read into the record Anna Hitzman said that.

MR. HANSEN: Anna Hitzman, Houston PD. Thank you, Anna.

Anything else on number 5?

MR. WILSON: No.

MR. HANSEN: Before we get into number 6, the discussion of the grants, I think we'll take a short break. It's 10:16, we'll take ten minutes.

(Whereupon, a brief recess was taken.)

MR. HANSEN: All right, folks, can everybody get a seat?

Let it reflect -- I need new glasses or a bigger clock -- I think it's 10:35.

MR. RICHARDS: Yes, sir.

MR. HANSEN: We're going to move on to the adoption of the 2020 grant awards. In lieu of that, we'd like to have the committee give their report recommendations. Mr. Rodriguez.

MR. RODRIGUEZ: Mr. Chairman, again, the methodology that was used yesterday to put these numbers together, it was quite a task. I want to say just because we did not want to leave any of the task forces out, and of course, saying again what you just said
earlier today about if we don't fund one of the task forces, it's going to be very hard to get them back. And again, you know, some of the things that we took into consideration, aside from the point system that was used by the staff, one was the amount of auto thefts that were in that jurisdiction, number two was the fact that the task forces that were seen by staff as not to fund, some of those task forces do a very good job in bringing down the numbers for auto theft, so we took that into consideration, we took the amount of auto thefts that were in that jurisdiction, but more than anything we saw the applications one by one and determined who was all in into this mission of reducing auto crimes. So that was the most important, I guess, aspect with me and Justin that who has complete buy-in into the program.

And so with that in mind we thought we actually had about $14 million but we didn't have that, so we had $12.2-something, considering what was given by Director Wilson as the budget. Do you remember what page was that?

MR. WILSON: Page 15, the budget that we adopted earlier -- 17. Excuse me.

MR. RODRIGUEZ: So we have $12,207,851. For the grants we came up with $12,286,322. With that in mind, I just want to say that we as a board and myself, I
just want to make it known that for this biennium that we recommend to fund some of these task forces and some of these task forces, we spoke about it yesterday, we just need to do a better job in putting those stats, you know, on paper. We cannot continue allowing task forces to have 16 cases per year, we cannot continue to be overlapping on jurisdictions, and again, the amount of arrests and the amount of recoveries, you know, take all that into consideration for the next time that we budget and that we allow for these grants to keep on being with us and with ABTPA. But more than anything is that we don't want to be held hostage to a point where if we don't fund you that they're going to be gone.

And so next time I just want to make sure that we sit down with the grantees and let them know that if next time the production is not there, the numbers are not there and the amount of cases that are being handled in those jurisdictions don't justify the amount of money that is being given to that jurisdiction, my recommendation would be, again, not to fund.

So with that in mind, I'm going to pass the mic to Board Member Owen, and if you have any questions, Mr. Chairman, please let us know.

MR. OWEN: Thank you.

First off, I'd like to address Hidalgo County
and TAVTI. They were new applications and they were very
good applications, there were some very good things in
them that we liked, and I believe some of the board has
spoken to you and we strongly encourage you to reapply
next year, strongly. Okay?

I'm about to make a motion, and please refer
to the supplement that was distributed, I believe, last
night, everyone on the distribution list should have
received it, which is the FY20 proposed recommendations.

Mr. Chairman, I'd like to make a motion to
approve the FY20 proposed recommendations that are listed
on the supplement, with the exclusion of the grant award
for Laredo and the grant award for Galveston County.

MR. HANSEN: Is there a second?

MR. MIZANI: I've got a question real quick
before we get there. So can I get just some clarity on
the two items that we seem to have issues with, Houston
and Harris. Where does that leave -- I know we see the
amounts here, but where does that leave staff with
everything we discussed as far as negotiating or waiving
these things? Are we there yet?

MR. WILSON: No. I don't think you took up a
motion to authorize me to even negotiate, or do what Ms.
Hunter said, just hold it to the 5 percent variance.

MR. MIZANI: So should we do that before we do
MR. RODRIGUEZ: Do we need a motion to negotiate?

MR. OWEN: Mr. Chairman, I would now like to make a motion to -- what do I say?

MR. RICHARDS: Your motion would be to approve and then you need to carve out those entities that we need to negotiate with as well, and you're still excluding Laredo and Galveston County from this vote, on this first motion. We'll vote on them in a minute.

MR. WILSON: Can I make a suggestion. If these award amounts are what the board wants to do, I would just go ahead and simplify the process as a vote on the award amounts, whether you accept them or not. I don't know which way it will end up, but if you end up accepting them, then come back and say that I would recommend that you would have the director negotiate and approve through the Grants and Budget -- what was it, GBR, Grants, Budget and Reports Committee to final approval about whatever, and just delegate that to the director to negotiate and the Grants, Budget and Reports Committee to approve.

MR. MIZANI: Because you're going to negotiate off this amount that we're about to vote on?

MR. WILSON: Correct. So you'll say, This is
the award we'd like to make to you but we'll let Bryan
and the committee decide whether we come off of that.
I'm throwing that out there as a quick solution, but that
is not necessarily agreement.

MS. HUNTER: So this is not binding for
Harris -- like we're approving this amount but then we're
negotiating this amount.

MR. WILSON: No. I'm sorry. Negotiating the
amount of match that they would have to provide.

MS. HUNTER: Okay.

MR. WILSON: The only thing that's negotiable
is the amount of match they would have to provide to get
that amount.

MS. HUNTER: To get that amount. Okay.

MR. GAUSE: Now, are there any other agencies,
also, that this would need to address?

MR. PRICE: There are a total of approximately
ten different agencies that have much smaller issues in
that regard but they still exceed the 5 percent limit
that had been previously standard.

MS. HUNTER: Who are they?

MR. PRICE: This is Dan Price, ABTPA staff.
The other folks who would require some type of minor
adjustments would be Corpus Christi, Eagle Pass,
Montgomery County, Travis County, Dallas County, El Paso,
and Mansfield.

MR. WILSON: I do want to say this is not based on the new numbers. We only had the application numbers, so most of these would go away. Certainly if you vote on the Eagle Pass number, that's a non-issue because the grant award is so much smaller. We haven't had time since you gave us the numbers to reconcile this, but all of them are very low except Corpus is at 10 percent, the rest of them are very small above the amount of 5 percent. Travis was at 9 percent, but Harris was 166 percent, and the reason we called these out as major issues is because -- and City of Houston, if it were to go forward at the value would be 151 percent. So those are the ones that brought us problems or caused concern. The other ones are just within, except Travis and Houston are 10, everybody else is much less than 10.

MR. HANSEN: But those numbers, Bryan, were based on their application amounts.

MR. WILSON: Yes, sir, not the actual list.

MR. HANSEN: So this is going to adjust or eliminate a lot of those because these are lower amounts.

MR. WILSON: Correct.

MR. RICHARDS: Mr. Chairman, may I make a comment? What I'd recommend doing is making your motions as is, make the two, you can exclude Laredo and Galveston
County for the second, and then make a third motion for the board to consider to allow the Grants, Budget and Reports Committee to negotiate where they need to negotiate with these entities if there are any irregularities.

Does that sound fine?

MR. HANSEN: Yes, sir, that's perfect.

MS. HUNTER: But I suggest that we add all of these, with the exception of Eagle Pass, because if the number is 5 percent, then they'll stay within the limit.

MR. RICHARDS: And it would be. Anybody that Mr. Wilson or staff encounter with issues, that you would approve the committee and him and staff to negotiate with.

MR. GAUSE: So we don't need to name specific entities.

MR. RICHARDS: No, not at all, because as we just stated, some will be rectified, so we don't know if they'll be on the list or not.

Is that fine with you, Mr. Wilson?

MR. WILSON: That is. I just want to clarify that the director will negotiate and obtain approval from the GBR Committee.

MR. RICHARDS: Right. Okay.

MR. HANSEN: Mr. Owen.
MR. OWEN: Justin Owen, for the record.

Mr. Chairman, I'd like to make a motion to approve the FY20 proposed recommendations for grant awards, excluding Galveston County and Laredo.

MR. HANSEN: Do we have a second?

MR. MIZANI: I'll second.

MR. HANSEN: Mr. Mizani.

A motion has been made and seconded. Is there any further discussion?

(No response.)

MR. HANSEN: Hearing none, I'll call for a vote. All those in favor of approving the FY20 proposed recommendations by the Grants Committee, excluding Galveston County and Laredo, please raise your hand.

(A show of hands.)

MR. HANSEN: All approved. Motion passes.

Your second one.

MR. OWEN: Mr. Chairman, I would like to make a motion to approve the FY20 proposed recommendations for Galveston County and Laredo.

MR. HANSEN: Is there a second?

MR. GAUSE: I'll second.

MR. HANSEN: The motion has been seconded. Is there any further discussion?

MR. HANSEN: Hearing none, we'll call for a
vote. I'll show that I will abstain from voting, as well as Mr. Rodriguez.

All those in favor of approving the FY20 proposed recommendations for Galveston County and Laredo, please signify by raising your right hand.

(A show of hands: Members Gause, Hunter, Owen, and Mizani.)

MR. HANSEN: Any opposed?

(No response.)

MR. HANSEN: Seeing none, the motion passes.

MR. RICHARDS: We'll need our third motion.

MR. OWEN: Mr. Chairman, I'd like to make a motion to grant authority to the Grants, Budget and Reports Committee and Director Wilson to enter into and negotiate with the grant entities that are out of compliance regarding their cash match.

MR. HANSEN: We have a motion. Is there a second?

MR. GAUSE: Second.

MR. HANSEN: Mr. Gause. The motion has been seconded. Is there any other further discussion?

(No response.)

MR. HANSEN: Hearing none, I'll call for a vote. All those in favor of approving the motion as read.
MR. RICHARDS: Raise your right hand, please.

MR. HANSEN: Please raise your right hand.

(A show of hands.)

MR. HANSEN: Any opposed?

(No response.)

MR. HANSEN: I see none. Motion passes.

Thank you.

Before we go to the next item, again, this was said earlier, a lot of people are not going to be happy today, some people are going to be elated. It was an extraordinarily tough, but we're going to ask your support when we talk a little bit later about this other bill to encourage stuff, but I think in the near future we're going to be okay. But thanks to everyone for your patience, and I cannot give enough thanks to the committee for the due diligence they did yesterday on this proposal.

Item number 7, discuss and consider action on insurance refund request by National Liability and Fire Insurance Company. Mr. Wilson.

MR. WILSON: I'll defer to Dan Price to do the layout for you.

MR. PRICE: This is Dan Price, ABTPA staff, for the record.

So we received back on April 10 a request from
National Liability and Fire Insurance Company indicating that they had made an error and had inadvertently double counted part of the year on their automotive remissions for the fees for the ABTPA fees. They were able to provide documentation of their payments, we were able to confirm with the State Comptroller's Office that those payments were made and reviewed their tax accounts to make sure that they were in good standing, and we are recommending that an approval be made to give them a refund of their overpayment of $25,006 -- I'm sorry, I apologize, I stand corrected -- $23,460.

MR. HANSEN: $23,460?

MR. PRICE: Correct, sir.

MR. HANSEN: Would it be okay for Mr. Wilson to explain that that does not come out of our grant funds?

MR. RICHARDS: Sure.

MR. HANSEN: Before we go any further with this, some of the grantees are new and not familiar with this, when we have to make these refunds it does not come out of our grant funds. And, Mr. Wilson, if you would explain to them where that comes from.

MR. WILSON: The current statute that the board shall request the Comptroller to draw warrants out of the funds available to the account available for these
purposes. That's at 3206, that's a revenue account. The money gets deposited into the revenue account, the warrants are drawn out of the revenue account. When the legislature puts money into the DMV's account, it's not over in the revenue account, so they're not drawing from our funds.

MR. HANSEN: I just want to make sure that everybody knew that these refunds don't come out of our grant funds.

MR. WILSON: And just one other thing real quick. House Bill 2424 out of the 85th Legislature gave an extension of four years for the claims. We used to see one of these about once every year or once every other year, now I think you'll see them at every board meeting from here on out because an insurer has four years to file the claim, and so they can find the mistake that they made three years ago. But we're also doing more denials, so out of this batch we had four or five we were working but the insurers are not providing any kind of documentation or appropriate documentation, so we'll continue to -- we will only bring to the board the ones that we can validate and then the rest when we bring something it will be because we have a suspicion or inappropriate filings or things like that. You've already dealt with three or four of those in the last
Thank you, Mr. Chairman.

MR. HANSEN: Thank you, Mr. Wilson. Thank you, Dan.

Okay. Do we have a motion?

MR. RODRIGUEZ: Mr. Chairman, I would like to make a motion to approve the refund request of National Liability and Fire Insurance Company in the amount of $23,460.

MR. HANSEN: Is there a second?

MR. MIZANI: Second.

MR. HANSEN: Second, Mr. Mizani.

The motion has been made and seconded. Is there any further discussion?

MR. GAUSE: Mr. Chairman, I will abstain from this vote.

MR. HANSEN: Note Mr. Gause is going to abstain from voting.

MS. HUNTER: I will too.

MR. HANSEN: Ms. Hunter will also abstain from voting.

Hearing none, I'll call for a vote. All in favor?

(A show of hands: Members Hansen, Mizani, Owen, and Rodriguez.)
MR. HANSEN: All opposed?

(No response.)

MR. HANSEN: None. The motion passes.

Item number 8, consider and adopt a process to update TxDMV and Motor Vehicle Crime Prevention Authority memorandum of understanding as required under the Transportation Code. Mr. Wilson.

MR. WILSON: Thank you, Mr. Chairman. This is Bryan Wilson, for the record.

The statute is moving out of the Texas Revised Civil Statutes over to the Texas Transportation Code, Chapter 1006, a new subchapter being established. So as a result with the name change and the new responsibilities, we feel that it's best to examine your four or five year old contract with the Texas Department of Motor Vehicles. The statute specifically requires that you look at the divisions of responsibility. This board is a policy-making board; except for the allocation of funds, your responsibilities are policy in nature. Like I was talking earlier about the CPA and the budget request and the requisitions, none of y'all will ever deal with that because that's DMV's responsibility.

So it places an onus on the director, on staff and DMV to make sure everybody knows what their role is in operating this. We're not our own agency. We're a
subsumed agency or a subsumed entity, and so we have to
be very clear with our administrative agency, TxDMV,
about how we operate.

So again, I recommend that you would go ahead
and set up a committee, either use a committee that you
already have, if you want to, or appoint one or two
members to volunteer right now from this board, or talk
to them later, and then delegate that authority to
negotiate that. We have three standing committees:
Legislative and Education, Grants, Budget and Reports,
and then you have the -- what's the other one, Mary
Beth? -- Insurance Committee.

MR. HANSEN: I would like to get past today
and then we'll sit down and get with the members and do
that. Are you okay with that?

Do we have a motion on item number 8?

MR. OWEN: Mr. Chairman, I'd like to make a
motion to delegate authority to adopt a process to update
the memorandum of understanding between the ABTPA and
TxDMV to an ABTPA committee, as displayed on pages 44
through 52 of the board meeting book.

MR. HANSEN: Is there a second?

MR. RODRIGUEZ: I second.

MR. HANSEN: The motion has been seconded. Is
there any other further discussion? My only discussion
would be if any of the board members think they're going
to be interested in this to get with me later or get with
Mr. Wilson.

Any other further discussion?

(No response.)

MR. HANSEN: Hearing none, I'll call for a
vote. All in favor of authorizing an ABTPA committee to
update the MOU between TxDMV and the MVCPA, please
signify by raising your right hand.

(A show of hands.)

MR. HANSEN: Any opposed?

(No response.)

MR. HANSEN: Seeing none, the motion passes.

Thank you.

Item number 9, consideration and possible
action to publish proposed amendments and corrections to
Title 43 of the Texas Administrative Code, as required in
statutory changes.

I'll give this to Mr. Wilson and during
this -- I talked to Mr. Richards -- is when we'll discuss
House Bill 2048 under this, as well.

MR. WILSON: So the statute change that
changed the name of the Automobile Burglary and Theft
Prevention Authority, it also raised the fee from $2 to
$4, and then part of that implementation is to update our
rules because, of course, in the Texas Administrative Code, Automobile Burglary and Theft Prevention Authority is listed, we have to have our own section, we have our name used lots of times throughout, and then it cites to old statutes, and then, or course, it has the wrong fee that's going into effect on September 1.

So what you're doing now just in the rulemaking process is before an agency can change a rule, you have to publish it out for comment. It will be out for comment for 30 days from the day that it's posted, not from today but from the day that it's posted in the Texas Register. There will be instructions to notify David Richards. He'll take those comments.

In August or September we're going to have to have another meeting to do the final adoption, and we'll take those comments, if somebody has a really good comment or something that you really need to address -- like somebody comes to you and says, I don't want the fee to be $4, well, that's not something you can handle, but there will probably be a couple of comments from some of the insurers, some of the agencies that have already notified me, but we'll do the best we can, and we'll present a recommendation to you in an August or a September board meeting.

And then at that time, if the board says that
they feel like they've resolved all the comments, you'll be able to establish those rules into the Texas Administrative Code under your new section, under your new title, and with all the corrections. But most of these titles, if you'll look at them, are simply changing the word ABTPA to Authority -- that way if they change our name again, as long as they use the word Authority we're good. I'm just kind of half joking. But the rest of it is just striking our name, putting in MVCPA or the Authority. So there's all the changes on those sections. That's all.

MR. HANSEN: I'm sure most of you should be aware because we forwarded it out to you many, many times considering what House Bill 2048 was about and how it impacted us, and I'll give you a little background on what's taken place since that time.

There was a Driver's Responsibility Act that apparently was in place in Texas, and I wasn't all that familiar with it but it was a learning process for all, and apparently this law was hampering many, many, many people that had had prior violations from being able to get a driver's license and/or get insurance, thus forcing them to go to work every day illegally and going illegally to feed their families. So they were looking for a method to change that because the funding from that
bill was going to funding trauma centers, ERs, life
flight helicopters and things such as that, plus some
other areas were funding that program.

They wanted to get away, and apparently
through previous sessions there had been a number of
bills filed that just couldn't get traction to do away
with the Driver's Responsibility Act but provide a
resource for a reasonable and stable funding process for
the trauma centers group. So as a result of that, they
came up with House Bill 2048 which made us the funding
mechanism for that.

I had numerous conversations with Mr. Ryan
Ambrose, who represents Memorial Hermann Hospitals, who
actually wrote this bill, and in this I asked him, number
one, how and why did you come up with the ABTPA in this.

And he explained to me that, number one, he was very
familiar with our program because he had worked at the
Capitol before and was familiar with our financial woes
but also was familiar with our stable process that we
have for collecting fees from the insurance industry.
They had looked at several other avenues in the state,
through license plates and driver's licenses and those
things, and decided that that just was not the route to
go, especially since we are already imbedded with the
insurance industry and the fact that a vast majority, as
their testimony alluded to, a vast majority of trauma entries into their hospitals comes about from automobile accidents, so it was kind of a good deal.

And he was aware of us so when he wrote the bill it was written in a fashion that would also help us improve our funding. Based on that, 2048 would improve the amount of funding -- this is a ballpark number -- from $50 million a year to what we're doing now to $100 million a year, with 60 percent of that to go to the trauma group, 20 percent to go to the state, and 20 percent to go to the Authority, which is us, which would equate to $20 million a year or more as the number of cars increase, so $20-something million, which is pretty close to what our LAR was at the beginning of this session.

That was all warm and fuzzy. It passed at the very last of the session, it was signed by the Governor, so it's law, but our question was -- and I'll let Mr. Wilson kind of explain that he gets it better than I do -- is when do we get the benefits of this bill, because obviously we weren't going to get it immediately.

And if you'll explain the collection process a little bit.

MR. WILSON: (Microphone not on.) Briefly, the collection process for insurance is twice a year. The
first payment is due in August that covers the January to
June period. The second payment is due March 1 and that
covers the July through December period.

This is Bryan Wilson for the record. I think
you heard that so I'm not going to repeat all that, so
two collection periods. And what that means is the bill
went into effect September 1, last year we collected $50
million, this year we'll collect about $62-1/2 million
and that payment will be made by insurers on March 1 of
2020. Then the next cycle will be March 1 of 2021, we'll
be back in session. We can't even apply the 20 percent
to the equation and get something that would raise our
value or appropriation, so it's not going to be
considered. The appropriation we have is a sum certain
amount, it's not estimated, it's not theoretical, it is
$12.8 million, period.

MR. HANSEN: Well, and researching that, as he
said, because a portion of this collection period is in
the $2 versus the $4 range, if they were to give us 20
percent of that we'd take a cut of what we have now, so
we'd leave well enough alone.

So we had a meeting, last week, I guess it
was, with Representative Zerwas and his staff. I've been
in communications with his staff several times since that
time to keep them abreast of when would we seek that.
You have a better chance of winning the lottery, but they could do something in the middle of the biennium -- I doubt it very seriously -- but we're going to continue to remind them of that.

So I also provided her with a list of our funding history and how we have been -- well, I'll just leave it alone at that, everybody knows that history. So she was very receptive to that, so we just told her that we were going to continuously remind them, because our biggest question is when the next session starts do we start at the $12.8- number or do we start at the 20 percent number, and believe it or not, we haven't got a direct answer to that, although everyone seems to think that we should be getting an increase in funds by the beginning of the next session. So if something happens between now and then, well, we can pray for that, and we're not going to quit reminding them and pushing this, I can assure you of that.

The other co-sponsor of that bill was Senator Huffman, who is out of Harris County and Fort Bend County areas. She is very pro-police, so to our brothers in that area, if y'all have a good contact or hook with her, let me know because we could go visit with her as well, like we did with Representative Zerwas. And he was very, very appreciative of us taking the time to pursue this.
because we actually asked him a few questions that even he didn't have the answers to, so that was good. And we provided him -- you know, when session is going on, we've talked to everyone about this -- we provided him with stuff about what you all do but when session is on it's chaos, so we brought him another package of a breakdown of the type of work that all of you do, and he apparently did pass it on to his staff because she was aware of some of that.

Bryan, anything else on 2048?

MR. WILSON: No. We need to vote on this rule package.

MR. HANSEN: Okay. Do we have a motion?

MR. GAUSE: Mr. Chairman, I'd like to make a motion to approve the publication of the proposed amendments and corrections to Title 43, Texas Administrative Code, Chapter 57, as a result of the legislative implementation from the 86th Legislative Regular Session.

MR. HANSEN: Is there a second?

MR. OWEN: Second.

MR. HANSEN: Mr. Owen.

A motion has been made and seconded. Is there any other further discussion on this?

(No response.)
MR. HANSEN: Hearing none, I will call for a vote. All those in favor of approving the publication of the proposed amendments and corrections to Title 43 of the Texas Administrative Code, Chapter 57, for a 30-day comment period, please signify by raising your right hand.

(A show of hands.)

MR. HANSEN: Are there any opposed?

(No response.)

MR. HANSEN: Seeing none, the motion passes.

Thank you very much.

Item number 10, discuss and consider grant to Texas A&M University Public Policy Research Institute, officer-directed research regarding bait car development and offender data analysis.

MR. WILSON: Yes. This was the same document -- well, actually, at the time you approved it in January it was a rough draft, but this is the document that I was trying to get a contract amendment on and then reformatted into a grant, and I ask you to approve it consistent with your previous.

MR. HANSEN: Do we have a motion?

MS. HUNTER: Mr. Chairman, I would like to make a motion to approve the awarding of a grant, not to exceed $35,000, to Texas A&M Public Policy Research Institute.
Institute for officer-directed research regarding bait car deployment and offender data analysis.

MR. HANSEN: Thank you, ma'am.

Is there a second?

MR. OWEN: Second.

MR. HANSEN: Mr. Owen.

A motion has been made and seconded. Is there any further discussion?

(No response.)

MR. HANSEN: Hearing none, we'll call for a vote. All those in favor of approving the award of a grant in the amount of $35,000 to Texas A&M University Public Policy Research Institute for officer-directed research regarding bait car deployment and offender data analysis, please signify by raising your right hand.

(A show of hands.)

MR. HANSEN: All in favor, none opposed. Motion passes.

MR. MIZANI: Bryan, Mr. Chairman.

MR. HANSEN: Yes.

MR. MIZANI: In the future, I know we discussed this research, the $35,000, but I'm looking at their itemized deliverables. For example, if we can in the future get some more details on what that all entails, you know, writing a report and presenting
findings, those type of things, that would be appreciated.

MR. WILSON: Each one of those deliverables would have to be accepted by me and then they would have to give me the data, show me that they've analyzed the data, then they would write a report. And so normally, I'd have more time to negotiate this out but because it turned into a grant instead of a contract, I couldn't get all the details in time. I apologize. But I've worked with this group, they've really done a lot of research on juvenile justice and on HHS, they're really top quality. The whole institution is really committed to affecting public policy and helping boards make good decisions. They've been around for over 35 years and really do quality work or they wouldn't be recommended, and they're with A&M, in case you want to know.

MR. MIZANI: Maybe that's my problem.

(General laughter.)

MR. HANSEN: The next agenda item, number 11, report and consideration of modifications to NICB education and awareness grant.

MR. WILSON: There will be no action needed for this agenda item, but I hope you've seen the commercials. There's a list on page 70. Since we launched these commercials, we've received over $256,000
in play time. We spent about $40,000 to the Texas
Association of Broadcasters for that time, and that's
what's been leveraged. And I encourage the grantees to
contact your local stations, every radio station and
television station.

What we were working on, the reason this was
an action item, is we were trying to negotiate the
ability to buy Pandora, Spotify, Facebook time. It's
just too big of a rush and I just pulled the plug. We
had a little bit of money and I wasn't sure how the
grants were going to come out, so I just pulled the plug
on it, but one of the things we'll have to decide going
forward in the future grant cycles, this contract ends on
December 31, so we're going to have to figure out a way
to add to it or continue it or whatever.

But it's been very, very good. The police
officers, I know Roden, Mr. Plummer in El Paso did a
great presentation that is also on the website, and then
numerous, San Antonio, Houston, we've launched Spanish
versions, as well, all over the state. It's been a great
opportunity for us.

And we used our new name. I hope y'all
weren't made at me about that, but if we're going to
launch a public awareness campaign, I wasn't going to use
the older name.
MR. HANSEN: This does not require a vote.

MR. RODRIGUEZ: A quick question, Mr. Chairman.

MR. HANSEN: Yes.

MR. RODRIGUEZ: Director Wilson, is there any way that -- who do these videos belong to, NICB or ABTPA?

MR. WILSON: ABTPA.

MR. RODRIGUEZ: Is there any way that we can share the videos within our grantees so they can post on their YouTube channels and all?

MR. WILSON: Oh, absolutely. We've sent it out numerous times, both the Spanish and English versions, to all of our grantees. Maybe we're not hitting the right folks but we're sending it out to our primary contacts with those local agencies, and they can download it. But certainly we have been sending it out on numerous occasions.

MR. RODRIGUEZ: Did they only do videos or did they do any sort of posters?

MR. WILSON: We did radio spots, 30 and 50 seconds, and then we filmed television spots, 30 and 50 seconds.

MR. RODRIGUEZ: I just wanted to ask the grantees so we can do that organically within our pages to keep on posting. Just to give you a quick percentage,
in Laredo 85 percent of the burglaries is because of unlocked vehicles, and that's why I think that the only way to reduce that would be to keep on pushing to the public to lock their doors. So thank you.

MR. WILSON: The "If You Like It, Lock It" campaign is really good, and thank you for the Spanish speaking groups that looked over our material before it got published.

MR. RODRIGUEZ: Thank you.

MR. WILSON: We were trying to fit in printed material. I don't know if we're going to do posters, but NICB is going to try to work with us within our existing grant to do our printed material, which obviously all of our other stuff says ABTPA on it.

Ready to go on, Mr. Chairman?

MR. HANSEN: Yes, sir. Number 12, discuss and consideration of requests for applications on special purchases for existing grant programs and delegation of process to award.

MR. WILSON: We agreed to skip that one. That was kind of a contingency at the time we were doing the agenda.

MR. HANSEN: So we're going to pass on that. Thank you.

Item number 13, consider approval for TxDMV
staff to renew and/or extend interagency contracts, A. Texas Comptroller of Public Accounts, and B. Texas A&M University, Public Policy Research Institute.

MR. WILSON: As I said earlier when we were talking about the budget, we have two contracts. One of them needs to be renewed with the Comptroller. I will put this board on notice that now that we get such a small fraction of the funds that we're participating in collecting that I'm going to ask the Comptroller to waive the $10,000 per year. I think it's the only right thing to do, I hope they'll go along with it, but I am going to be very insistent, that we'll be collecting $62 million this year and $100 million the year after, and for them to charge us for other jurisdictions or other funds -- in other words, most of the money will now be going to the trauma centers, and in my opinion, it's not right. If the board directs me otherwise, but I think I should at least try to insist that they waive the $10,000 fee.

We'll still do the interagency agreement because we do have to have that in place to coordinate our efforts, and they've done a lot of good work on their website and helped us do a better job of collecting and analyzing what we're collecting, but I just don't think they should continue charging us.

That's my recommendation that you authorize me
to negotiate, with legal counsel, for the new contracts, I guess the authority for the A&M to extend and the negotiation of the new contract with the CPA.

MR. RICHARDS: So it's a joint motion.
Correct?

MR. WILSON: Correct.

MR. GAUSE: Mr. Wilson, you mentioned earlier about the Texas A&M and the grant management system not updating as quickly as planned before the last grant cycle.

MR. WILSON: Those were enhancements we were wanting to make. They actually did some for free. There was a new toggle feature that the grant could -- I guess the lady from Houston earlier, she was talking about how the ratio worked and so we added a new feature into the application where you can just type in how much do you want to spend for an officer, $100,000, check the 20 percent box and it just populates everything automatically.

So A&M did a bunch of those features already for us, we just couldn't pull off the contract amendment to pay them -- what was it, $15,000 -- to do it, so they did several enhancements, so we just let it go. So it was our ability to effect a contract amendment to pay them for all the additional work that they did for us.
So this is the routine maintenance and the evergreening of the software system we rely on.

MS. HUNTER: Mr. Chairman, I move that we, ABTPA board, adopt the renewal of the interagency contract for the Texas Comptroller of Public Accounts, and I further move that the board approve the extension of the interagency contract for Texas A&M Public Policy Research Institute, as displayed on pages 76 to 79 of the board meeting book.

MR. HANSEN: Thank you, Member Hunter.

Do we have a second?

MR. GAUSE: I second.

MR. HANSEN: Mr. Gause.

A motion has been made and seconded. Is there any further discussion?

(No response.)

MR. HANSEN: Hearing none, I'll call for a vote. All those in favor of approving the renewal of the interagency contract with the Comptroller of Public Accounts and extending the interagency contract with Texas A&M University, please signify by raising your right hand.

(A show of hands.)

MR. HANSEN: All in favor. See none. Motion passes. Thank you.
Director's report.

MR. WILSON: Thank you, Mr. Chairman.

I'll go ahead and launch right into page 81. We referred to it earlier today. This is the budget going forward. You'll see that there's still a little bit of money left in '18, even though they were supposed to carry it forward, the Comptroller, sometimes these are charge backs or something similar. So this will be the last time you'll see '18 budget going forward. From now on it will be FY19 and '20.

Any questions about the budget?

(No response.)

MR. WILSON: The Sunset Advisory Commission, the little part that's the final report from the Sunset Advisory Commission. They did continue us for 12 more years. There's only one little section that we highlighted on your board book related to give us the authority to fight a broader range of crimes.

Any questions about the Sunset results?

(No response.)

MR. WILSON: As a result, we're doing legislative implementation. I provided the written plans that I am working on right now to make sure that this agency is in compliance with meeting the September 1 deadline. One of the things we just took care of was the
rules. We're working with the insurers. You'll see some letters to the Comptroller. We put the Comptroller and TDI on notice that -- I mean, look, they know that the law changed too but we pointed out specific things that we know need to change with them and we're working closely with their staff, and I've already heard back from both staff in those agencies as they indicated who that I'm supposed to work with. There's going to be form changes, website changes.

MR. HANSEN: On that name change, so that everyone will know, when we met with the Sunset and several other people, it was just maybe time for a fresh look, and since everyone in this room is involved in investigations outside of just B&B and auto theft, those lead you into your title frauds, odometer frauds, we work all type of motor vehicle crimes, it was just thought that if we're going to start and try to get fresh and hopefully get more funding that our name is more inclusive as to what you all do every day, and that's the reason for the change to Motor Vehicle Crimes. We wanted to get Prevention out and replace it with Enforcement but that didn't fly, but we still got the Motor Vehicle Crimes in there. So a little history of how that came about.

MR. WILSON: The next page on 92 is about the
brief meeting we've already discussed, Mr. Chairman, so I'm going to just go on past that.

And I'd like to introduce our new staff, our Grant Coordinator II, Tessie Ajala. He comes to us with a great deal of experience with the National Crime Council. He came directly to us from the General Land Office, and we're really glad that he's got a lot of grant experience to help us out, and always has lots of good ideas as we move forward, so we're paying close attention. He's going to provide the update on the grant material, progress reports, starting on page 93.

MR. AJALA: Thank you, Bryan.

Ladies and gentlemen, it's a privilege and an honor to be a part of this project, the ABTPA. Like he said, I came from the General Land Office, but prior to that I have done grants management work for about 15 years and I was one of the guys in Washington, D.C. that reports to a dog in a trench coat, McGruff.

(General laughter.)

MR. AJALA: So that brings me back home to what we used to do in crime prevention, so I'm very happy to be here. Thank you for giving me the privilege.

MR. HANSEN: Welcome aboard.

MR. AJALA: Thank you, sir.

On page 93 we have a status report on
recovered stolen vehicles, and up to date this fiscal year we're at about a little over 8,000. We anticipate that we will be over 12,000 by the end of the fiscal year.

On page 94 is a list of all of the present fiscal year grant adjustment reports, that takes us from 94 to 95, with a total at the bottom of the 95, all of the adjustments.

Thank you.

MR. HANSEN: Mr. Wilson, have the grant adjustments leveled out a little bit?

MR. WILSON: I mean, it's about normal. We went through a cycle a few years ago that they were just happening all the time, but it's as expected. There's always grant adjustments, people need to move money around, so I don't have anything that really jumps out. As they seize and obtain property, they'll often want to turn that into assets, because we haven't been able to fund equipment very well for years, so you will see those on a regular basis if somebody seizes a high dollar item that they convert quickly into a pickup or bait car or LPR.

MR. HANSEN: Thank you.

MR. WILSON: For the next item related to our launch, Mary Menoskey.
MS. MENOSKEY: For the record, I'm Mary Menoskey.

For July we are now in "Watch Your Car Month" so we did get our Governor's proclamation, which we're happy with. Matthew Miller, from the Government and Strategic Communications, helped us get that pushed through and we got it on time this year. Last year we got it in August, so we had to make August "Watch Your Car Month" so this time we're official for July.

And the proclamation is on the next page, which you can see, and then we were also able to get Mansfield and Lubbock has also made their own proclamations for "Watch Your Car Month" so we're happy about that. And then the proclamation does reference our "If You Like It, Lock It" campaign so we're happy that that's getting some promotion out there.

And that is it.

MR. WILSON: So some of the grantees have been sending in their local resolutions and proclamations, so we're very grateful for that. As soon as we get a breathing moment we're going to go ahead and launch our new Facebook for Motor Vehicle Crime Prevention Authority, and then develop a new Twitter account so we can start as people do the press releases, but I did get approval for that last week, but I've been working on
grants.

The agency operations, I just wanted to let you know, I realize that on April 1 -- I know you got copies of it -- we did make it on time for submitting the statutory required report to the legislature. We are still working through issues with the final version of the border security report with '18 money, so I think we'll have a supplemental to turn in. It's not required but it's something that I really felt like we should do after everything was spent, that we would go back, because if you remember, the LBB and the Governor's Office closed the window on what we could report, so it looked like we only spent $3 million, but yet they reported to the legislature we spent $5 million, and so we need to close that loop because when they closed the report on the border security for the Governor and LBB, we still have outstanding grants for another two or three months that we're still paying on that are border security grants. So it's teasing that out and figuring out, because they do not move their closeout window when they close out a project, so feel like we need to go back and make sure we get the numbers correct.

And then we had an Auto Theft School with NICB that I trained at, and NICB has asked me to do instead of more about that this board does, talk more about what the
grantees do and provide stories and examples and trends that we're seeing, because now that we're halfway through the second year, we can actually do really robust reports. And I hope y'all take time to go look at the progress reports because these grantees provide a lot of textural things.

And you talked about enhancements, Mr. Gause, they added a feature where we can do any word search, weapons, arms, drugs, prescriptions, and it will give you all the grantees that use that word. So even though it's a lot of text, you can quickly get through. Even on a lot of the insurance fraud, you can see the word fraud and it pops up as insurance fraud. So there's thousands and thousands of words, tens of thousands, if not hundreds, you can just look at the grants that have a key word that you're looking for. It's a really powerful tool the programmer came up with.

Personnel updates. We've already introduced Mr. Ajala. And I told him when I first met him, I said, Now, is this like Ahala, like jalapeno like we're used to down here. He said, No, it's Ajala.

And then Dorothy Ogden, we'll introduce Dorothy, our summer intern. We're grateful that she's been part of this grant process and working with us to help do a lot of the things we never can get around to.
She's put together a lot of data for this meeting, some of the documents up in the front about cost per LAO, cost per case. She pulled that, the comparisons of the DPS data. I don't like to do that, go in to the DPS website over and over and over, but Dorothy did it.

And Mary Dominguez, after 20 years has retired from state service, and so that position is open. We have 45 applicants and I'll be trying to set up interviews over the next few weeks. We're doing the screening now and then hopefully by early August we'll have somebody in place.

Are there any questions about that?

(No response.)

MR. WILSON: And whenever people write letters to the board or to you, I put them in the back of the book. Most of them aren't action items but supplemental to any other things you want to consider.

That concludes my presentation, Mr. Chairman.

MR. HANSEN: How is Dominic doing? Have you heard from him?

MR. WILSON: It's been a few weeks. The twins are growing really fast. He was trying to get by our office one more time before he left; he's due to move to Lubbock in August. In the last two weeks I haven't talked to him, but he was doing good about three weeks
ago when I talked to him.

MR. HANSEN: The next item is executive session. Thank God we have nothing for executive session.

(General talking and laughter.)

MR. HANSEN: Any more public comment, anybody else have anything?

(No response.)

MR. HANSEN: Can we have a motion to adjourn?

MS. HUNTER: I make a motion to adjourn.

MR. HANSEN: Do we have a second?

MR. RODRIGUEZ: I second.

MR. HANSEN: Second. We are adjourned. It is 11:34.

(Whereupon, at 11:34 a.m., the meeting was adjourned.)
CERTIFICATE

MEETING OF: TxDMV ABTPA Board
LOCATION: Austin, Texas
DATE: July 11, 2019

I do hereby certify that the foregoing pages, numbers 1 through 95, 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: July 16, 2019

/s/ Nancy H. King
(Transcriber)

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