

TEXAS DEPARTMENT OF MOTOR VEHICLES
LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE
MEETING

Wednesday,
October 3, 2018

Lone Star Room
Building 1
4000 Jackson Avenue
Austin, Texas

COMMITTEE MEMBERS:

Memo Treviño, Chair
Robert Barnwell, III
Gary Painter
Paul Scott

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P R O C E E D I N G S

1
2 MR. TREVIÑO: Good afternoon, ladies and
3 gentlemen. My name is Guillermo Treviño, and I'm pleased
4 to open the meeting of the Legislative and Public Affairs
5 Committee of the Board of the Texas Department of Motor
6 Vehicles.

7 It is approximately 2:05 p.m., and I am now
8 calling the committee meeting for October 3, 2018 to
9 order, and I want to note for the record that the public
10 notice of this meeting, containing all items on the
11 agenda, was filed with the Office of Secretary of State on
12 September 24, 2018.

13 Before we begin today's meeting, please place
14 all cell phones and other communication devices in the
15 silent mode.

16 If you wish to address the committee during
17 today's meeting, please complete a speaker's sheet at the
18 registration table. To comment on an agenda item please
19 complete a yellow sheet and identify the agenda item. If
20 it is not an agenda item, we will take your comments
21 during the public comment portion of the meeting.

22 And now I'd like to have a roll call of the
23 committee members.

24 Member Barnwell?

25 MR. BARNWELL: Present.

1 MR. TREVIÑO: Member Painter?

2 MR. PAINTER: Here.

3 MR. TREVIÑO: And I am Guillermo Treviño, chair
4 of the committee. Let the record reflect that we have a
5 committee quorum. Also let the record reflect that
6 Committee Member Scott is absent today.

7 The posted agenda stated that a quorum of the
8 Board may be present at this meeting, however, Board
9 members who are not members of the Legislative and Public
10 Affairs Committee will not vote on any committee agenda
11 items today nor will any Board action be taken.

12 And I also see that Chairman Palacios is in the
13 room, saw him earlier, and simply for information
14 gathering and discussion.

15 Chairman Palacios, thank you for joining us
16 today. Always a pleasure to have you here.

17 And we're going to move to agenda item number
18 2, and no comments, Whitney?

19 MS. BREWSTER: No, sir.

20 MR. TREVIÑO: And I have no comments, so we
21 will move to the meat of the meeting. Okay. We will
22 discuss agenda items 3 and 4. We will now hear from
23 Caroline Love on agenda items 3 and 4.

24 Caroline, how are you today?

25 MS. LOVE: Good afternoon. I'm good. How

1 about you?

2 MR. TREVIÑO: Great. I'm well, thank you.

3 MS. LOVE: Thank you for having me. Again, my
4 name is Caroline Love. I am director of the Government
5 and Strategic Communications Division for the department.

6 And why I am here today is that the Texas
7 Department of Motor Vehicles Board is charged in statute
8 with providing the recommendations to the legislature
9 about opportunities to improve operations, and the request
10 that I have of you today in agenda item 3 is to consider
11 the items that staff have come up with, those
12 recommendations, to the full Board for further
13 consideration and approval at the meeting tomorrow.

14 So what you see in front of you here is the
15 statutory code, Transportation Code, Section 1001.025 is
16 where this Board is charged with considering these
17 opportunities, and earlier this year we worked with all
18 the departments, divisions and offices to identify
19 opportunities to find enhancements and improvements, and
20 what makes this interim a little more unique than the
21 other interims that we've gone through is that we were
22 also under the Sunset process and that process also has a
23 very similar charge, so we were trying to consider things
24 that might have fallen outside of that process as well.

25 As we came up with these items, we did reach

1 out to several stakeholder entities and groups, as listed
2 on the third bullet there, so that we could be sure that
3 everyone is aware of things that are under consideration
4 and then how we can work with everyone to minimize any
5 unintended consequences or impacts as a result of these.

6 And so what I'll do is move on to the next
7 slide which starts to highlight the recommendations that
8 are before us and that staff has identified. I
9 categorized these into four different categories. The
10 very first one that we looked at was having gone through
11 the Hurricane Harvey disaster and recovery efforts, what
12 did we identify at the Department of Motor Vehicles as
13 obstacles to the public, to customers and processes. So
14 there were three items that we identified as opportunities
15 for helping out in these situations.

16 The first one is we are looking at ways to make
17 it clear in statute that if someone is from an impacted
18 county where their county office is not available for them
19 to renew their registration, but their registration
20 renewal is due, that those individuals will get a 30-day
21 reprieve to allow them time to find an opportunity to get
22 that renewal processed without being subject to a citation
23 if they were to get pulled over. And so that's one that
24 we're kind of looking at, what statutory options exist
25 there.

1 Another one relates to if an insurance company
2 does pay out a claim for a completely flooded vehicle that
3 we are notified as a department that that has occurred so
4 that we can properly annotate that on the title, which
5 would make the vehicle no longer eligible for registration
6 purposes. And that is something that has been occurring
7 with insurance companies, but the vehicles are still
8 operating without any knowledge at the state level of
9 those vehicles having been impacted.

10 Another one is defining what constitutes a
11 flood vehicle in statute, because currently that is not
12 defined in statute.

13 So those are the ones related to the natural
14 disasters that we've experienced recently and
15 opportunities we see there.

16 MR. TREVIÑO: Where did those recommendations
17 come from?

18 MR. TREVIÑO: It was mainly from our staff and
19 things that we identified. Like I'll note on the first
20 one, even though the governor had declared a disaster for
21 the counties that were impacted by Hurricane Harvey, one
22 of the things that he also issued was a waiver for
23 enforcing registration requirements for vehicles that were
24 in those areas, but those vehicles traveled, they have
25 maybe gone to people in West Texas, family to stay with

1 them until things were remedied, and law enforcement in
2 that area may not have been aware of the waiver.

3 And certainly they still had a remedy in place
4 should they decide to take it to court and try to fight
5 the citation, but we're trying to make it as clear as
6 possible in the statute that if that is your situation
7 where you don't have a county office opened to get your
8 renewal done that you would not be subject to a citation.

9 MR. BARNWELL: Is that all the offices in the
10 county?

11 MS. LOVE: It would be if an entire county, all
12 offices within that county were closed and not available
13 for customers.

14 MR. BARNWELL: So when the governor declares a
15 disaster --

16 THE REPORTER: Your microphone isn't on.

17 MR. BARNWELL: Well, it's got a green light on.

18 MR. TREVIÑO: Okay, go ahead.

19 MR. BARNWELL: How about now?

20 MR. TREVIÑO: Much better.

21 THE REPORTER: Thank you.

22 MR. BARNWELL: Sorry. I'll speak up.

23 So the question is the governor declares a
24 disaster in a county, that doesn't close everything
25 automatically, so how do you know if all the offices are

1 closed or just some of the offices are closed? It sounds
2 like you're going to get complicated here. Once he
3 declares a disaster in a county, that ought to trigger the
4 30-day delay, regardless of whether anything is open,
5 because that's simple.

6 MS. SWANSON: Member Barnwell, for the record,
7 Sarah Swanson, interim general counsel.

8 If I may, I think this also pertains to when we
9 are required to seek a waiver from the Governor's Office
10 of enforcing certain rules related to registration. So
11 every time this happens in a county that's declared a
12 disaster, we can seek a waiver from the Governor's Office
13 for enforcing those rules.

14 If it were in statute, we would not have to go
15 through that process of getting the waiver, so it would
16 make it easier for the citizens of that county. Not every
17 county office would have to be closed, it would just be
18 the county itself declared a disaster area.

19 MR. BARNWELL: That's what I was thinking made
20 more sense, and to memorialize it in statute is fine, it
21 was whether or not all the offices were closed or some of
22 them were closed or having to apply for the waiver. That
23 complicates things in West Texas where you're visiting
24 your relatives because they weren't impacted by whatever
25 storm or disaster was involved.

1 So that way it's easier for law enforcement out
2 there to have a clear bright line of, well, I'm not going
3 to give you a ticket for this because it's within this
4 disaster relief period.

5 Now, is that 30 days from the time it's
6 declared or from the time it ends?

7 MS. LOVE: The time of declaration, the closure
8 of that office.

9 MR. BARNWELL: Well, it doesn't have anything
10 to do with closure of offices anymore.

11 MS. SWANSON: I think you may be asking what
12 time period were we considering.

13 MR. BARNWELL: Well, it's 30 days. Right?

14 MS. SWANSON: After expiration of registration,
15 I believe.

16 MR. BARNWELL: Thirty days after registration
17 expiration, but if we have a case like we had down in
18 Rockport, for example, 30 days is hardly enough time.

19 MS. SWANSON: And that's a good point, so we
20 should, I think, consider happens if it's a continuing
21 declaration in the county.

22 MR. BARNWELL: Okay. Well, just thinking. I'm
23 trying to channel Johnny Walker here, and it's not easy.

24 (General laughter.)

25 MS. LOVE: And that does bring up a good point.

1 A lot of the language that would be associated with these
2 concepts is still in the works.

3 MR. BARNWELL: Sure, I understand. I just
4 wanted to know where the staff's thinking was on that
5 because it sounds like a great idea, I'm just wondering
6 about the implementation and the practicality of a rule
7 that finally gets proposed.

8 MR. TREVIÑO: Excellent.
9 Caroline.

10 MS. LOVE: The next section we have is about
11 creating efficiencies and processes. One thing that we
12 are recommending is that the Auto Burglary and Theft
13 Prevention Authority appropriations be deposited to the
14 TxDMV Fund so that we can have a more consistent method of
15 finance for all department functions.

16 Their appropriations would still remain as they
17 are today, the legislature would set those amounts, but
18 instead of being from the general revenue fund, they would
19 be out of the TxDMV Fund.

20 And also, there is a statutory requirement
21 currently for oversize/overweight permits to be issued by
22 our Motor Carrier Division by phone, and we still would
23 intend to offer those by phone but by and large a majority
24 of our permits are currently issued through the TxPROS,
25 the online system, and so we just didn't want to have that

1 requirement remain should technology continue to advance
2 and become outdated.

3 MR. TREVIÑO: Caroline, excuse me. On that one
4 did industry have any push-back on that?

5 MS. LOVE: We met with the Texas Trucking
6 Association and they were fine with that recommendation.

7 MR. TREVIÑO: Great. Thank you.

8 MS. LOVE: The next one is about investigations
9 that we have ongoing and requests that may be received
10 about those investigations through the Open Records Public
11 Information Act. Other agencies that conduct similar
12 investigations exempt open cases from that Public
13 Information Act until the conclusion of the investigation.

14 Another one is about repealing requirements
15 that the department create an inventory form for salvage
16 dealers. We learned that the requirement was outdated and
17 not being well used by either us or the industry there.

18 And then also there is currently a process for
19 title hearings that are conducted by county tax assessor-
20 collectors. We've noticed that there has not been
21 uniformity in administration of these hearings statewide.

22 There are some counties that will have several hundred in
23 a year while others only have two, a majority may have
24 very few, a handful or less. And so we're still looking
25 at that process to see how we can streamline that and make

1 it more uniform statewide, but that's another concept that
2 we're considering.

3 And then the last one in this section is
4 allowing the department to require escort flaggers as part
5 of issuing an oversize/overweight permit. That's
6 currently not a requirement that we have the authority to
7 demand when issuing a permit.

8 MR. PAINTER: The exemption under the Texas
9 Open Records Act, if you have an open investigation it's
10 not subject to public disclosure.

11 MS. LOVE: That is accurate for criminal cases
12 and also several administrative cases, but our statutes
13 don't have that exemption.

14 MR. PAINTER: Okay.

15 MS. LOVE: Okay. So moving on to the next one.
16 We've had some previous Board recommendations that have
17 not become statute yet, and a lot of those are just
18 because time ran out during previous sessions and these
19 weren't exactly high priority maybe and rising to the top.

20 These include administrative sanctions for
21 motor carriers who have a load in excess of size.
22 Currently the statute allows for an administrative
23 sanction if the carrier is loaded in excess of weight, and
24 we do believe it was an oversight to not include size, and
25 so that is the first recommendation there.

1 Another one is that if a motor carrier has been
2 placed out of service by the Federal Motor Carrier Safety
3 Administration, then we would allow for the denial of an
4 oversize/overweight permit.

5 The next one is for consistency moving forward,
6 in the oversize/overweight permitting statutes currently
7 there is not a consistent administration of the fees that
8 are collected. For some permits the entire fee might go
9 to general revenue, others are split among the State
10 Highway Fund and the TxDMV Fund to cover administrative
11 costs and things like that, and so for this recommendation
12 we would ask that the legislature consider it as a
13 standard that any new created oversize/overweight permits
14 would include a 10 percent dedication to the TxDMV Fund to
15 cover our administrative costs for the program.

16 MR. BARNWELL: Has that been tested or stressed
17 to see what the impact is on our revenue? And how much
18 revenue is it?

19 MS. LOVE: It depends, because there are
20 permits that are in the statute currently that are as low
21 as \$10, \$100, and some as high as \$6,000, so it would
22 depend on the permit fee.

23 MR. BARNWELL: Okay. So has any study been
24 done on that? It's just 10 percent was pulled out of the
25 air?

1 MS. LOVE: It has been the percentage under
2 these other statutes.

3 MR. BARNWELL: Just to be blunt about it, I
4 guess.

5 (General laughter.)

6 MS. LOVE: So as we looked through the
7 Transportation Code 623 that has all these
8 oversize/overweight permits, 10 percent is consistently
9 used for the TxDMV Fund allocation, so that's where we
10 came up with the 10 percent. In terms of further
11 analysis, we would take it on a case-by-case basis.

12 MR. BARNWELL: Well, once it's in there at 10
13 percent, isn't it in there at 10 percent?

14 MS. LOVE: Unless the legislature determines
15 that a permit fee would be otherwise, it would be at 10
16 percent. So I'll give an example, of the intermodal
17 shipping container permit that was passed by the
18 legislature last session, because the permit fee was at
19 \$6,000, 10 percent certainly more than adequately would
20 cover any kind of administrative costs, so it was lowered
21 to 4 percent for us on that particular permit fee. And
22 that was essentially what the legislature would do moving
23 forward. If they had a permit that was several thousand
24 dollars, they could look at it and ask us our
25 administrative costs for issuing, and some permits are

1 more complicated than others certainly for issuance.

2 MR. BARNWELL: Okay. So is the level of the
3 cost of the permit related to the amount of paperwork and
4 trouble it is to issue?

5 MS. LOVE: Not always. A lot of times those
6 permit fees are determined based on the damage that's done
7 to the roads.

8 MR. BARNWELL: To the roads, yes, the road
9 damage.

10 MS. LOVE: The majority of it will go the State
11 Highway Fund.

12 MR. BARNWELL: I see.

13 MR. TREVIÑO: It's just putting the standard
14 recognizing we have to recoup our costs and the
15 legislature can amend it depending on how expensive the
16 permit is.

17 MS. LOVE: Yes, that's accurate.

18 Thank you for channeling Johnny. I appreciate
19 it.

20 MR. BARNWELL: You won't after a while.

21 MR. TREVIÑO: Turn on your microphone.

22 MR. BARNWELL: It is on.

23 MR. TREVIÑO: I'm kidding. Johnny would always
24 leave his office.

25 MR. BARNWELL: Johnny would always leave his

1 off. Maybe I really am doing that.

2 (General laughter.)

3 MR. TREVIÑO: Keep on going. Let's get through
4 this.

5 MS. LOVE: So another would be requiring that
6 the person, which in this case is the entity that is
7 listed on the oversize/overweight permit, be the actual
8 entity that moves that load, and this would also cover
9 subcontractors of that entity, but there were times where
10 we were seeing and law enforcement would see that an
11 entity would acquire and give it to a wholly separate
12 entity for use.

13 MR. BARNWELL: So it needs to be a related
14 entity.

15 MS. LOVE: Right.

16 MR. BARNWELL: So if I'm Johnny Walker Trucking
17 and I have Johnny Walker Junior Trucking that's owned by
18 Johnny Walker Trucking, I could have Junior move it and
19 that would be okay.

20 MS. LOVE: As long as there's some sort of
21 relationship agreement in place with that.

22 MR. BARNWELL: As long as we were affiliates.

23 MS. LOVE: Jimmy wants to clarify.

24 MR. ARCHER: For the record, Jimmy Archer.

25 MR. BARNWELL: Speak up, please.

1 MR. ARCHER: How's this?

2 MR. BARNWELL: That's better.

3 MR. ARCHER: In your example, if Johnny Walker
4 Junior Trucking was a registered motor carrier, he could
5 move the load. The idea is to ensure that a registered
6 motor carrier move the load each time, and that's for
7 safety reasons. Requirements for motor carriers are
8 different for contractors, say for construction where you
9 can hire a drywall guy to do your drywall. In the case
10 with motor carrier, for somebody to move a load down the
11 road they have to be registered as a motor carrier, so
12 this is to ensure that the carrier that actually moves the
13 load is the carrier's name on the permit.

14 MR. BARNWELL: Okay. So Johnny Walker Junior
15 Trucking couldn't do it?

16 MR. ARCHER: He could do it if his name was on
17 the permit and he was a registered carrier. Johnny Walker
18 Trucking could not buy a permit for him to move the load,
19 it would have to be in Johnny Walker Junior's name if he
20 was a registered motor carrier.

21 MR. BARNWELL: Okay. All right. I thought
22 that might be where you were going with that but I wanted
23 to make sure. Thank you.

24 MR. TREVIÑO: Thank you for clearing that up,
25 Jimmy.

1 MS. LOVE: And the last one in this section is
2 that if a shipper does not provide a certificate of weight
3 to a carrier that if that carrier is found without that
4 certificate and the weight obviously is not accurate that
5 the shipper could get an administrative penalty.

6 And then we have a couple of general clarifying
7 things that we're looking at, including that a motor
8 vehicle dealer can only sell vehicles from their licensed
9 location, and then another permit that was created last
10 session was the North East Texas Intermodal permit, and
11 it's not clear right now that in the distribution of the
12 fees that come in from that permit there's a percentage of
13 the fee that goes to the county in which the travel
14 occurs, and we just want to make it clear that it is the
15 Comptroller that will get those fees to the county and not
16 the department.

17 And so that covers what I have for agenda item
18 3. Are there any questions?

19 MR. TREVIÑO: Okay. So we have to pass a
20 motion -- correct? -- approving the legislative -- request
21 for approval of the recommended legislation to the 86th
22 Legislature pursuant to Texas Transportation Code
23 1001.025, and the chair would accept a motion if anybody
24 would like to make it. Any discussion on it, by the way?

25 MR. BARNWELL: No. Did you read that just a

1 minute ago?

2 MR. TREVIÑO: Did I read what?

3 MR. BARNWELL: There we have a problem. Did
4 you read -- in other words, what I'm trying to do is you
5 don't have the script for that, I don't have the script
6 for that.

7 MR. TREVIÑO: I think Gary might have the
8 script. It was placed at your table, but then we moved.
9 It's right there. He didn't bring all his gear with him.
10 The script is right there. So that's why I guess we
11 shouldn't move.

12 MR. BARNWELL: That would be a really good
13 reason not to move around.

14 (General laughter.)

15 MR. BARNWELL: Do you want me to read 3?

16 MR. TREVIÑO: If you like. It's very some
17 excellent work that Caroline did on this.

18 MR. PAINTER: Very good.

19 MR. BARNWELL: It was okay. No. Really
20 excellent work, Caroline, but I'm picky.

21 I move that the committee recommend that the
22 full Board approve the following recommendations: the
23 Board adopt the proposed legislative agenda as developed
24 by the department staff with stakeholder input and
25 involvement; the Board direct staff to finalize and submit

1 this agenda to the legislature as directed in
2 Transportation Code 1001.025 for further consideration by
3 members of the legislature for bill drafting and potential
4 filing; lastly, staff shall provide the Board regular
5 updates throughout the session on the status of the
6 approved agenda items.

7 MR. PAINTER: Second.

8 MR. TREVIÑO: Great. We have a motion from
9 Member Barnwell and a second from Member Painter. All in
10 favor?

11 (A chorus of ayes.)

12 MR. TREVIÑO: Motion passes.

13 So let's go on with agenda item 4 then.
14 Caroline.

15 MS. LOVE: Thank you. And this one is a
16 briefing item. We just wanted to make sure you're aware
17 of the process that we intend to follow during the
18 legislative session for updates and things like that.
19 There are a few key dates that I figured I'd start with.
20 First, the bill filing for the 86th Legislative Session
21 will actually begin on November 12, which is just a short
22 month and a half or so from today, and then the very first
23 day of the legislative session will be January 8, 2019,
24 the last day for a bill to be filed is March 8, and then
25 sine die will be on May 27. Not that anybody is counting

1 but that means we're 97 days from the first day of session
2 and 236 days from the last day of session.

3 MR. TREVIÑO: Wow.

4 MS. LOVE: Those are the numbers that I kind of
5 live by.

6 So during the legislative session and leading
7 up to it there will certainly be a lot of activities and
8 so the Government and Strategic Communications Division
9 will be following those activities closely and reporting
10 regularly to the executive team and also the Board. Once
11 bill filing begins, we will have weekly meetings
12 internally with executives and subject matter experts to
13 review legislation that's been filed to see what those
14 impacts might be to the department. Also, the Government
15 and Strategic Communications Division will develop
16 analyses of those bills and work with any legislative
17 offices as needed to provide information on impacts or
18 work on any kind of language that may come up beyond that.

19 In addition, the Legislative Budget Board, if
20 they identify that legislation may have a fiscal
21 implication to an agency, they ask that the agency prepare
22 a fiscal impact statement, and so we'll work with all the
23 divisions and Finance and Administrative Services to work
24 on those impacts and we'll be providing pretty regular
25 status updates of the bills of significant interest to the

1 department and kind of where those stand.

2 And then we'll also be coordinating the
3 department's involvement in public meetings, public
4 hearings on legislation and also any meetings with
5 legislators, so sometimes Board members may be interested
6 in participating in those hearings or meetings and so
7 we'll certainly be involved in that.

8 We'll monitor all of the substantive hearings
9 and also all floor activities of the House and Senate so
10 that we can provide updates on discussions there, so those
11 reports will be coming out regularly. And I'm sure that
12 I'll be working closely, as well, with Carrie Fortner as
13 the Board liaison to ensure that you all receive the
14 information in a timely manner.

15 MR. TREVIÑO: Great. Thank you very much,
16 Caroline, for your excellent work, and also coordinating
17 with staff, because I know it's a challenge in the work
18 that you're doing and we appreciate all the work that you
19 do for us keeping us informed and providing information to
20 our legislators and elected officials.

21 MS. LOVE: Thank you.

22 MR. TREVIÑO: Okay. So let's move on to agenda
23 item number 5, and we'll hear from our executive director.

24 MS. BREWSTER: Thank you. Good afternoon,
25 Chairman and members. For the record, my name is Whitney

1 Brewster, executive director of the TxDMV.

2 I have the pleasure of providing you an update,
3 a briefing on the TxDMV's implementation efforts on the
4 Sunset Advisory Commission recommendations. This is a
5 briefing item only, no action will be necessary from the
6 Board at this time.

7 As you are very aware, the agency is undergoing
8 its Sunset review. As a bit of background, the Sunset
9 Advisory Commission heard the Sunset staff
10 recommendations, the department's responses to those
11 recommendations, and also public testimony regarding the
12 agency at its hearing on May 23.

13 The Sunset Advisory Commission met again on
14 August 29, and they made decisions on recommendations in
15 the Sunset staff report as well as they also considered
16 new recommendations. Those decisions are reflected in the
17 Sunset staff report with Commission's decision document
18 which our Board liaison, Ms. Fortner, provided to you. If
19 you would like another copy, we can certainly provide that
20 to you. It's also available on the Sunset website and we
21 have a link from our website to those documents as well
22 should Board members want another copy of that.

23 Just as a reminder, recommendations from Sunset
24 come in two different forms: either changes to laws
25 governing the agency, or management directives to agency

1 leadership. Management directives that were adopted in
2 the August 29 meeting, they became effective immediately,
3 and statutory recommendations will be considered in the
4 upcoming legislative session. The Sunset staff report
5 with Commission's decision document then forms the basis
6 for our Sunset bills, again, that will be considered by
7 the legislature when they convene in January.

8 In an effort to ensure that the agency is
9 making progress towards implementation of these important
10 recommendations, the agency is tracking those decisions
11 closely. Internal Audit is tracking in detail the
12 activities of the agency as it pertains to our efforts on
13 implementation, and staff is providing regular updates to
14 internal audit to make sure that we are making progress
15 towards achieving implementation of those recommendations
16 and that that information is current.

17 On page 12 of your board books I have provided
18 you with a high level tracking document that includes a
19 summarized description of the recommendation, it also
20 includes due dates specified in the Sunset report, and it
21 also includes the division that is leading the
22 implementation efforts on that particular recommendation.

23 Further, I've included some color coding so
24 that hopefully you can see the agency's progress with
25 relative ease. Green indicates that either there's no

1 action necessary from the department or that it's been
2 fully implemented, yellow means that it is in progress,
3 and then red indicates that agency action has not yet
4 occurred. I think it's important to point out that many
5 of the items in red are statutory and they will be
6 considered by the legislature, again, when they convene in
7 January.

8 Please know that I am happy to update or alter
9 this document however the Board would like to see it.
10 This really is supposed to be a useful document at a high
11 level to you and certainly I encourage any feedback that
12 you have on improving this document.

13 As for where we are today, three
14 recommendations have been fully implemented. Those are
15 3.8 and that's regarding publishing the penalty matrices.
16 That has been implemented by the Enforcement Division.
17 Recommendation 4.5 regarding criminal history checks for
18 motor vehicle license renewals, we were doing those on
19 original application, the recommendation was to also do it
20 at time of renewal, and that has been implemented by our
21 Motor Vehicle Division. And recommendation 4.7 regarding
22 unnecessary application requirements for salvage licenses,
23 that too has been implemented by the Motor Vehicle
24 Division. There was a requirement that potential
25 licensees provide business references. That wasn't very

1 useful to the agency and certainly was additional work on
2 those that were applying for licenses with the agency, so
3 we have stopped requiring that as a part of the
4 application process.

5 In my summary memo on page 11, I indicated that
6 16 recommendations are in progress. That number has
7 actually grown since the time this board book was put
8 together, it's now grown to 17. The additional item that
9 has been moved from red to in progress actually deals with
10 a new recommendation added during the Sunset decision
11 hearing, and that item can be found on page 16 of your
12 board books.

13 And this recommendation is twofold. First, it
14 directs the agency to consider the criminal background of
15 an applicant's partner, company principal, officer or
16 general manager as a qualifying factor when deciding to
17 issue a salvage license. This portion of the
18 recommendation has been implemented by the Motor Vehicle
19 Division. The second portion of that recommendation
20 requires the department to establish a risk-based approach
21 to its salvage dealer vehicle inspections, and that
22 portion is not yet implemented, and that's why you'll see
23 that this recommendation is now in progress or yellow, but
24 right now it's reflected as red, but we're making progress
25 on that and as soon as the other portion of that

1 recommendation is fulfilled, we will mark that green as
2 fully implemented.

3 One other item I should point out to you is
4 that there are two recommendations, 3.4 and 3.5, on the
5 agenda today for your consideration, and Ms. Thompson will
6 be covering those items here momentarily. If the full
7 Board votes favorably to implement the policies around
8 those two items, those two items will become fully
9 implemented and turn to green.

10 Last, but certainly not least, you may notice
11 that one recommendation that has gotten quite a bit of
12 attention, the concept of moving driver licensing to
13 TxDMV, is not reflected in this document, and that is due
14 to the fact that that is not a recommendation that is
15 within our report, that is a recommendation that is within
16 DPS's report. Certainly the agency will be tracking that
17 very closely and as things progress on that front, we will
18 be providing updates to the Board on this really important
19 recommendation.

20 Ultimately, what the Sunset Advisory Commission
21 adopted in the hearing was that DPS would be required to
22 hire an independent third party to do an analysis of the
23 transfer of driver licensing to this agency and that that
24 would need to be completed by September 1 of 2020. The
25 recommendation goes on to say that should the 86th

1 Legislature not appropriate funds for that analysis, that
2 the transfer will occur anyway and that would become
3 effective September 1 of 2021.

4 So that concludes my update on TxDMV
5 implementation efforts of Sunset Advisory Commission
6 recommendations, and I'm certainly happy to answer any
7 questions that you all have.

8 MR. TREVIÑO: Thank you for the planning
9 document. It looks very thorough. We look forward to
10 your updates, and also the statutory recommendations,
11 those are out of our hands, so we await the legislature's
12 pleasure.

13 MS. BREWSTER: Yes, sir.

14 MR. TREVIÑO: So does the rest of the committee
15 have any suggestions or thoughts on this document and
16 Whitney's report?

17 MR. PAINTER: Good.

18 MR. TREVIÑO: Great. Thank you for updating
19 us.

20 MS. BREWSTER: You bet.

21 MR. TREVIÑO: Okay. So now we move on to
22 agenda item number 6, and Corrie Thompson is here to
23 present to us.

24 Corrie, how are you?

25 MS. THOMPSON: Good afternoon, Chairman,

1 committee members. Corrie Thompson, director of
2 Enforcement. I'm presenting agenda item number 6 to you,
3 which can be found starting on page 17 in your board
4 books.

5 Before you is a request for Board approval of
6 the policy concerning enforcement case prioritization and
7 complaint resolution. The policy is being presented in
8 order to implement Sunset Advisory Commission management
9 recommendation 3.4 and 3.5. There is no fiscal impact
10 associated with the policy.

11 During the Sunset review the Sunset Advisory
12 staff made recommendations to help the department reduce
13 complaint resolution time frames, and as part of those
14 recommendations they're requiring that the Board actually
15 approve our policy to identify and address the factors
16 that contribute to long case resolution time frames. And
17 some of those factors include: developing an intake system
18 to close and refer our non-jurisdictional complaints;
19 identifying stages where those delays occur, and cause
20 bottlenecks in the resolution process; developing
21 priorities based on the type of allegation that's
22 contained in the case and the associated risks, balanced
23 with the need to close the oldest outstanding cases. And
24 then finally, they have asked for us to seek approval for
25 a presentation process of presenting long pending cases to

1 the Board for review.

2 The policy that we're presenting today that's
3 contained in your board books does just this and it
4 provides a commitment to the goals identified by the
5 Sunset Advisory Commission. The policy refers back to
6 standard operating procedures created by the Enforcement
7 Division, and those standard operating procedures detail
8 how we are going to accomplish those stated goals.

9 The policy that pertains to presenting the long
10 pending cases to the Board would involve taking cases that
11 had aged beyond three years where no formal allegations
12 had been brought by Enforcement attorney staff to be
13 brought before the Board for review and explanation as to
14 why those cases are still pending.

15 And I'm happy to answer any questions that you
16 have about that policy.

17 MR. TREVIÑO: Great. Does the committee have
18 any questions on the documents presented?

19 (No response.)

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

22 MR. PAINTER: I move that the committee
23 recommend that the full Board approve the policy on Texas
24 Department of Motor Vehicles' guidance on Enforcement case
25 prioritization and complaint resolution to implement

1 Sunset Advisory Commission's recommendations 3.4 and 3.5.

2 MR. BARNWELL: Second.

3 MR. TREVIÑO: We have a motion from Member
4 Painter, a second from Member Barnwell. All in favor?

5 (A chorus of ayes.)

6 MR. TREVIÑO: Motion carries.

7 Corrie, thank you very much.

8 MS. THOMPSON: Thank you.

9 MR. TREVIÑO: So I do not see any notes for
10 public comment, so if there's no further business from
11 committee members, the chair would entertain a motion to
12 adjourn.

13 MR. PAINTER: Motion to adjourn.

14 MR. BARNWELL: Second.

15 MR. TREVIÑO: All in favor?

16 (A chorus of ayes.)

17 MR. TREVIÑO: This committee meeting is
18 adjourned. Thank you very much.

19 (Whereupon, at 2:44 p.m., the meeting was
20 adjourned.)

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C E R T I F I C A T E

MEETING OF: Legislative & Public Affairs Committee
LOCATION: Austin, Texas
DATE: October 3, 2018

I do hereby certify that the foregoing pages,
numbers 1 through 33, 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: October 8, 2018

/s/ Nancy H. King
(Transcriber)

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