

TEXAS DEPARTMENT OF MOTOR VEHICLES
CONSUMER SERVICE ADVISORY COMMITTEE
MEETING

via Webex

Thursday,
November 17, 2021

COMMITTEE MEMBERS:

John Ames, Presiding Officer
Kristen Hoyt, First Vice Chair
Billie Aliu, Second Vice Chair
Richard Boggus (absent)
Tina Carter (absent)
Richard Cavender
Brian Daugbjerg (absent)
Thomas Drake
Christopher Gaston (absent)
Ruben Gonzalez
Russell Hayter
Lori King
Stephen Palacios
Melissa Peace
Bruce Stidham
Susan Sutton
Ford Wagner (absent)
Christopher Wall

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P R O C E E D I N G S

1
2 MR. AMES: Good morning. My name is John Ames.
3 I'm pleased to open the third meeting to the Customer
4 Service Advisory Committee. For ease of reference we call
5 this committee the CSAC committee, which is an acronym.

6 It is now 8:06 a.m., and I'm now calling the
7 CSAC meeting to order on November 17, 2021. I want to
8 note for the record a public notice of this meeting,
9 containing all items on the agenda, was filed with the
10 Office of Secretary of State on November 9, 2021.

11 This meeting is being held by telephone
12 conference call in accordance with the Texas Government
13 Code, Chapter 551.125. Members of the public may
14 physically attend this meeting in person at 4000 Jackson
15 Avenue, Building 1, Lone Star Room, Austin, Texas, 78731,
16 or they may attend this meeting by calling the toll-free
17 number which is posted in our agenda which has been filed
18 with the Office of Secretary of State.

19 At this time if all attendees will please mute
20 your phones for the entire duration of the meeting. I'm
21 asking our meeting host to make sure all participants'
22 phones are muted except for advisory committee members and
23 those who are presenting. Callers will be removed for any
24 disruption, including background noise.

25 I would also like to remind all participants

1 that this is a telephone conference call meeting. Because
2 this meeting is being held by telephone conference call,
3 there are a few things that will assist in making the
4 meeting run smoother and to assist the court reporter in
5 getting an accurate record.

6 So the first thing is when you speak, please
7 identify yourself. Second thing is please speak clearly
8 and loudly so that we can hear you. I hope that you can
9 hear me okay this morning.

10 The third is to remember that there may be a
11 slight delay due to the telephone conference call meeting,
12 so please wait a little longer than usual before
13 responding to a participant. The next thing is do not
14 speak over others, and the last thing is please ask the
15 presiding officer to proceed to be sure that we get
16 everyone recognized before speaking.

17 All advisory committee members participating by
18 phone only, please use the instructions provided to raise
19 your hand. Once unmuted by the meeting host, your line
20 will remain unmuted for the duration of the meeting.
21 Please be mindful of any background noise, and to limit
22 background noise, please keep your line muted on your end
23 until you're ready to speak. When you're ready to speak,
24 you can unmute your line, state your name for the record,
25 and then ask for the floor and wait to be recognized

1 before speaking.

2 I'd also like to thank our court reporter who
3 is transcribing this meeting today. To make sure that we
4 have an accurate recording of this meeting, it is very
5 important that advisory committee members and anyone
6 presenting today identify themselves before speaking and
7 speak clearly and slowly. I'll try to speak slowly
8 myself; that's hard for me to do.

9 If you wish to address the advisory committee
10 or speak on an agenda item today, please send an email to
11 GCO_General@TxDMV.gov. That email address again is
12 GCO_General@TxDMV.gov.

13 Please identify in your email the specific
14 items you are interested in commenting on, your name and
15 address, and whether you are representing anyone or
16 speaking for yourself. If your comment does not pertain
17 to a specific agenda item, we will take your comment
18 during the general public comment portion of the meeting.

19 Comments should be pertinent to the issues stated in your
20 email. When addressing the advisory committee, please
21 state your name and affiliation for the record.

22 All right. Before we begin today, I'd like to
23 remind all presenters and those in attendance of the rules
24 of conduct at our advisory committee meetings. In the
25 department's rules under 43 TAC Section 206.22, the

1 presiding officer is given the authority to supervise the
2 conduct of the meeting.

3 This includes the authority to determine when a
4 speaker is being disruptive of the meeting or otherwise
5 violating the timing or presentation rules that I've just
6 discussed. Disruptive speakers will be muted, given a
7 warning about disruptive behavior, then removed from the
8 meeting for any continued disruption. I don't think we'll
9 have an issue here with this group.

10 Advisory committee members, please let us know
11 immediately if you're no longer able to participate for
12 any reason, if your phone call drops or if you are
13 disconnected. TxDMV staff will interrupt the meeting to
14 let us know to get you back on the line before we proceed
15 with the agenda.

16 All right. Let's get started this morning. I
17 know it's early and I appreciate all of you being here
18 this morning at eight o'clock. Especially thanks to those
19 out of El Paso that are here at seven o'clock.

20 So agenda item number 1.A. Roll call and
21 establishment of quorum, I'd now like to have a roll call
22 to call the advisory committee members. Please respond
23 verbally when I call your name and indicate if you are
24 present.

25 All right. Let's start with Member Aliu. Are

1 you present?

2 MS. ALIU: This is Billie Aliu, and I am
3 present.

4 MR. AMES: Thank you, Member Aliu.
5 Member Boggus? Member Boggus?

6 (No response.)

7 MR. AMES: Member Carter? Member Carter?
8 (No response.)

9 MR. AMES: Member Cavender?

10 MR. CAVENDER: Good morning, everybody. I'm
11 present.

12 MR. AMES: Good morning. Thank you, Member
13 Cavender.

14 Member Daugbjerg? Member Daugbjerg?
15 (No response.)

16 MR. AMES: Member Drake?

17 MR. DRAKE: Present.

18 MR. AMES: Good morning, Member Drake.

19 MR. DRAKE: Good morning.

20 Member Gaston? Member Gaston?

21 (No response.)

22 MR. AMES: Member Gonzalez? Member Gonzalez?
23 (No response.)

24 MR. AMES: I see Member Gonzalez on the screen
25 and unmuted and the hand up, but we cannot hear Member

1 Gonzalez. Can our host maybe help Member Gonzalez? We'll
2 come back.

3 Member Gonzalez, I see you present with your
4 hand up, and so we're going to get you some technical help
5 on that.

6 Moving on, Member Hayter?

7 MR. HAYTER: Good morning. This is Russell
8 Hayter. I'm present.

9 MR. AMES: Good morning, Russell Hayter.
10 Member Hoyt?

11 MS. HOYT: Good morning. Present.

12 MR. AMES: Good morning, Member Hoyt.

13 Member King? Member King?

14 (No response.)

15 MR. AMES: Member Palacios?

16 MR. PALACIOS: Member Palacios is present.

17 MR. AMES: Good morning, Member Palacios.

18 Member Peace?

19 MS. PEACE: Present.

20 MR. AMES: Good morning, Member Peace.

21 Member Stidham?

22 MR. STIDHAM: Present.

23 MR. AMES: Fantastic. Good morning, Bruce.

24 MR. STIDHAM: Good morning.

25 MR. AMES: Member Sutton?

1 MS. SUTTON: Good morning. Susan Sutton
2 present.

3 MR. AMES: Good morning, Member Sutton.
4 Member Wagner? Member Wagner?

5 (No response.)

6 MR. AMES: And Member Wall?

7 MR. WALL: Good morning. I'm present.

8 MR. AMES: Good morning, Member Wall.

9 Okay. So it looks like we have ten confirmed
10 members.

11 And Member Gonzalez, were you able to ever get
12 where we could hear you? Member Gonzalez?

13 (No response.)

14 MR. AMES: I see Member Gonzalez is unmuted
15 again. Were we able to assist Member Gonzalez by any
16 chance?

17 MR. THOMAS: We're trying to contact him now.
18 We did confirm his audio earlier, so I'm not sure what
19 happened.

20 MR. AMES: Okay. It appears he can hear us,
21 because when I call his name he unmutes himself.

22 So David, are we okay to proceed? We have more
23 than enough.

24 MR. RICHARDS: Yes, you do, you have a quorum.
25 Please proceed.

1 MR. AMES: Okay. Fantastic.

2 And I, John Ames, am present too so we
3 definitely have a quorum, we have eleven members present,
4 and we needed ten.

5 MR. THOMAS: Mr. Ames, Lori King just joined
6 also.

7 MR. AMES: Fantastic. Member King, are you
8 present? Member King, can you hear us?

9 (No response.)

10 MR. AMES: I see Member King and Member
11 Gonzalez on there, they're both unmuted, but we do not
12 have a verbal confirmation yet. So we have more than
13 enough, and hopefully they can hear us.

14 All right. Let's proceed forward then. Before
15 we move into any substantive portion of the agenda, I
16 would like to ask our two new members, Member Boggus and
17 Member Wall, to introduce themselves and provide us with
18 some of their background. I didn't see Member Boggus on
19 the confirmation this morning, and so we'll move on to
20 Member Wall.

21 Member Wall, would you like to introduce
22 yourself to the committee and tell us a little bit about
23 who you are and where you come from?

24 MR. WALL: Yes, thank you.

25 Good morning. My name is Chris Wall. I live

1 in Victoria, Texas. I'm an attorney with the Keating Auto
2 Group.

3 We have dealerships kind of throughout the
4 state. We have 22 locations, and I've been in-house
5 counsel for nine years. I have two little girls, a six-
6 year-old and a one-year-old, and I'm excited and happy to
7 serve on this committee, and I appreciate being accepted.

8 MR. AMES: Wonderful. Thank you, Member Wall,
9 and welcome to the committee, we're glad to have you.

10 All right. The purpose of this committee is to
11 assist the department in obtaining feedback regarding
12 important legislation. Advisory committees, such as CSAC,
13 provide valuable input for the department in their
14 advising capacity concerning issues related to improving
15 and enhancing department customer service.

16 So we are pleased this morning, on agenda item
17 1.B. we have some welcoming remarks from Executive
18 Director Whitney Brewster.

19 So Whitney, welcome.

20 MS. BREWSTER: Thank you, John, very much.

21 And welcome, Member Wall. Glad to have you as
22 part of the CSAC.

23 Good morning, everyone, and thank you for
24 volunteering your time to join us for the third meeting of
25 the Customer Service Advisory Committee. I'm Whitney

1 Brewster. I'm the executive director of the department,
2 and I really just wanted to welcome you and thank you very
3 much for lending the time that you are and your skill set
4 to this committee.

5 Before we continue on the agenda item, I wanted
6 to just give an overview of the discussion item for the
7 committee's consideration today. As most of you know, the
8 committee has already covered some pretty significant
9 topics, including the implementation of Senate Bill 876,
10 and that is a pretty significant change to the way that
11 services are provided across the state.

12 It will allow vehicle purchasers, owners and
13 dealers the ability to submit their title and registration
14 transactions to really any willing county, in addition to
15 those counties that are designated in statute to perform
16 those functions.

17 Another pretty significant issue is maintaining
18 the network of limited service deputies that process
19 hundreds of thousands, if not over a million registration
20 renewal transactions in the state. And I just urge the
21 committee to focus on best practices and means to reduce
22 the limited service deputy operational costs as really a
23 means of maintaining those relationships and a way to
24 continue alternative services so that we can serve Texans
25 in an efficient and customer-focused manner.

1 So I encourage differing viewpoints and debate,
2 please. I think we make better policy that way when we
3 get all of those viewpoints on the table.

4 And I really cannot express enough how
5 appreciative we are for your time and the recommendations
6 that come from our advisory committees. They truly make a
7 difference in our policy-making. And really what I want
8 for all of our advisory committee members to really know
9 is that our staff and I are here to help with whatever
10 information you might need, so please do not hesitate to
11 ask.

12 We've tried to provide some background
13 information to make sure that everyone understands the
14 topics that we're talking about, but please don't hesitate
15 to ask if there's additional information that you need to
16 make a good recommendation. We have access to information
17 from other states, national associations, to provide more
18 background and context information, so please let us know
19 if there's any other information that you may need.

20 And just in closing, on behalf of our
21 department, the board and our staff, thank you again for
22 volunteering your time and your expertise to help us with
23 these big issues that impact all Texans. And I just
24 really want you to know how much we appreciate your
25 willingness to serve.

1 So with that, I will turn the meeting back over
2 to you, Presiding Officer Ames, and wish you a very
3 successful meeting and a very happy Thanksgiving. So back
4 over to you, John. Thank you.

5 MR. AMES: Thank you, Executive Director
6 Brewster. We really appreciate you being here this
7 morning and we hope you stick around.

8 I would like to tag onto your comments. We
9 have tackled in this committee 876. This committee was
10 unable to make a formal recommendation to the board
11 because we ran out of time on that item, as explained to
12 me by the department. The board needed to get that so
13 they could publish those rules.

14 I understand that the item that we're
15 discussing today, like Ms. Brewster said, is important,
16 but it is not a time constraint. So I certainly hope that
17 this committee, at the end of our discussions, if not
18 today, maybe at our next meeting, we will be able to
19 actually make a recommendation to the board.

20 I did hear Ms. Brewster say that they took all
21 of our comments into consideration when that rulemaking
22 was put in place, but the committee did not have an
23 opportunity to see the rule before it was presented or
24 make an official recommendation. I hope we can do that on
25 this next item.

1 So thank you, Ms. Brewster. We appreciate your
2 support.

3 Agenda item 2. Discussion, briefing and action
4 items. 2.A. Limited service deputy operational costs
5 reduction efforts.

6 Members, I will now move to 2.A. This is
7 limited service deputy operational costs reduction
8 efforts. And I will turn the meeting over to Roland Luna,
9 director of the VTR Division, Clint Thompson, deputy
10 director of the VTR Division, and designated staff to lead
11 the discussion on the limited service deputy operational
12 costs.

13 Roland, I believe the floor is yours.

14 MR. LUNA: Good morning, Presiding Officer
15 Ames. Roland Luna, division director of Vehicle Titles
16 and Registration.

17 Thank you, committee members for joining us
18 today. I would like to give you a brief overview of the
19 documents that we have prepared to walk the committee
20 through. We understand the value of diversity in
21 committee composition, which is why we wanted to provide a
22 holistic overview of the deputy space.

23 So the three documents that we have today, one
24 document we will walk through an overview of deputies and
25 we will explain the various types of deputies. The second

1 document that we have is deputy information by county, and
2 that details transactions for three fiscal years by
3 county. And then the last document that we've prepared
4 today to discuss is the limited service deputy engagement
5 through county tax assessor-collectors, which details the
6 cost reduction measures, the cost inefficiencies that have
7 been identified thus far.

8 Clint Thompson, deputy director, will handle
9 the overview of the deputies. The deputy information by
10 county for the last three fiscal years, the data if you
11 will, will be handled by Operations Section Director
12 Patricia Ueckert. And then lastly, the limited service
13 deputy engagement which details the cost inefficiencies, I
14 will handle that one.

15 When Clint is done with the overview, we ask
16 that you try to reserve those questions to the end, but if
17 it's easier to ask your question along the way, we can
18 certainly take it along the way as well. I would like to
19 remind everyone that is listening in, as well as committee
20 members, that the information was provided in advance.
21 You can access that information on our website. We will
22 make reference to the page number that we are referencing
23 because the documents are prepared in one PDF, so we will
24 make sure that we make reference to the page number as
25 we're speaking.

1 And for any of those that are listening that
2 are not necessarily a committee member, a member of the
3 public that are interested in this particular topic, we'll
4 make mention to that page number so that they can follow
5 along accordingly.

6 And with that, Presiding Officer Ames, I will
7 turn it over to Deputy Director Clint Thompson.

8 MR. AMES: Thank you, Mr. Luna. This is John
9 Ames again.

10 Mr. Luna, could you read for the public and
11 those listening the actual web address where they can go
12 and get these documents?

13 MR. LUNA: Yes, sir. So if you will go to the
14 TxDMV.gov website and if you go to our website and we have
15 a search function in the middle of the page, and if you
16 will just type in CSAC, C-S-A-C, a listing will come up
17 and it will show open meetings. And when you go to open
18 meetings, it shows our current open meeting today for
19 November 17, 2021, from 8:00 to 10:00 a.m., and there's a
20 tab there that says "Materials" and anyone from the public
21 can follow along. It's a very easy search feature on our
22 website.

23 MR. AMES: Thank you for that information.

24 Members, did anybody have a problem getting the
25 documents? Do you have them currently?

1 (No response.)

2 MR. AMES: All right. Before we start with
3 Deputy Director Thompson, I would just like to ask our
4 hosts if they were able to get Member King and Member
5 Gonzalez onboard.

6 MR. THOMAS: We just were confirming Member
7 Gonzalez, and Member King was just sent instructions to
8 dial in.

9 MR. AMES: Fantastic. Thank you very much,
10 Derrick, we appreciate that.

11 Okay. Clint, the floor is yours.

12 MR. THOMPSON: Okay. Good morning. Can y'all
13 hear me?

14 MR. AMES: Yes, sir.

15 MR. THOMPSON: All right. Thank you. I
16 apologize, I had technical difficulties earlier. I'm sure
17 it was user error.

18 Clint Thompson, deputy director of the Vehicle
19 Titles and Registration Division. As Director Luna
20 indicated, I'm going to provide an overview of the various
21 deputy types.

22 So Transportation Code Section 520.0071
23 requires the department by rule to establish the
24 classification types of deputies performing timely
25 registration duties as well as their obligations and any

1 bond amounts that must be assessed. Those rules are in
2 Texas Administrative Code Chapter 217, Subchapter H. The
3 three types of deputies that are contained there are:
4 dealer deputy, full service deputy, and limited service
5 deputy.

6 Dealer deputies are licensed Texas dealers that
7 must hold a valid general distinguishing number with the
8 department, and they are licensed by the county --
9 deputized by the county to provide title registration
10 services for vehicles that they sell. They are also
11 authorized -- can be authorized by the county to perform
12 registration renewal transactions.

13 Dealer deputies are set up and submit
14 transactions through webDEALER. And I know we touched on
15 some of these applications in prior CSAC meetings; I'll go
16 over them briefly.

17 webDEALER is the web-based application
18 available to licensed Texas dealers to submit title
19 applications electronically to county tax offices, and as
20 well, we have functionality for entities we know as
21 commercial fleet buyers which are also included in the
22 definition of a dealer deputy. Commercial fleet buyers
23 are primarily rental car companies, leasing companies
24 buying vehicles. And they are authorized as a deputy type
25 in the rule in Subchapter H and able to submit those

1 transactions as well through webDEALER.

2 Full service deputies, they have access to and
3 use the Registration and Title System. These are private
4 entities deputized by county tax offices and they are
5 authorized to perform the same transactions, the same
6 functions that a county tax office would.

7 So the distinction between webDEALER is the
8 dealer is submitting those transactions electronically to
9 a county tax office for review and approval, and the full
10 service deputies, again, have access to the Registration
11 and Title System and are authorized to enter those
12 transactions themselves, much like the county tax offices
13 do.

14 Limited service deputies, they are authorized
15 by counties to complete registration renewals and they use
16 our web-based application called webSUB. So they perform
17 registration transactions for customers, renew those
18 registrations, and submit those via webSUB.

19 Now while there are obviously different systems
20 that these various deputies access and use and there are
21 also specific requirements to each type in general, each
22 deputy must be trained to perform the particular
23 transaction that they are authorized by the county. They
24 must be deemed competent by the county to perform those
25 services, and all of them must also post a bond payable to

1 the county.

2 Now the bond amounts do vary based on the type
3 of deputy. So a full service deputy or dealer deputy must
4 post a bond in an amount between \$100,000 and \$5 million,
5 and that is determined by each county tax assessor-
6 collector. And a limited service deputy must post a bond
7 in an amount between \$2,500 and \$1 million, and again,
8 that's determined by the county tax assessor-collector.

9 Again, each of these separate entities are
10 authorized for access to the various applications that we
11 have, and approved by the county tax assessor-collector
12 individually to complete those transactions. They all
13 have separate record retention requirements and all must
14 account for the fees accordingly and submit those to the
15 county tax assessor-collector.

16 And that concludes the overview of deputies,
17 and I will turn it over to Tricia Ueckert, our section
18 director of Operations.

19 MR. LUNA: Presiding Officer Ames?

20 MR. AMES: Yes, sir.

21 MR. LUNA: Roland Luna, VTR director.

22 May I give that full address for the public so
23 that they can access the materials if they would like to
24 follow along?

25 MR. AMES: Please do.

1 MR. LUNA: Thank you, sir.

2 That address is [https://www.TxDMV.gov/about-](https://www.TxDMV.gov/about-U.S./TxDMV-Board-meetings)
3 [U.S./TxDMV-Board-meetings](https://www.TxDMV.gov/about-U.S./TxDMV-Board-meetings). And with that exact link,
4 anyone from the public can access the materials.

5 MR. AMES: Thank you, Director Luna. We
6 appreciate that.

7 MR. LUNA: Yes, sir.

8 MS. UECKERT: Good morning. My name is Tricia
9 Ueckert. I'm section director of the VTR Operations
10 Section. And good morning, Presiding Officer Ames,
11 members. Thank you.

12 I want to direct your attention now to page 10
13 of your meeting materials. This is a document that is
14 data regarding deputy information by county. The
15 information runs from page 10 through 17.

16 And what we have here is in the first section
17 to the left, those are going to be the deputy counts by
18 county of each of the different types of deputies:
19 limited service, full service, and dealer deputies. And
20 as you can see at the bottom on page 17, we have
21 approximately 1,600 limited service deputies, 42 full
22 service deputies, and a little over 2,000 dealer deputies.

23 And in the sections to the right of that in the
24 green, those represent the transactions, the renewal
25 transactions that were processed by limited service

1 deputies for each of the counties shown in the fiscal
2 years, 2019, 2020 and 2021. And also then in the yellow
3 section, you're going to see the full service deputies.
4 We have those broken out because the full service deputies
5 do process both renewal transactions and title
6 transactions.

7 And then finally, in the blue section, you'll
8 see dealer deputy title transaction counts. As Whitney
9 mentioned in the introduction, limited service deputies do
10 process a good number of our renewal transactions, and in
11 fact, it's slightly over 3 million in FY21.

12 So with that, I will hand it back over to
13 Roland.

14 MR. AMES: Thank you, Tricia. Just a quick
15 question.

16 Roland, do you mind if I ask Tricia a few
17 questions real quick? This is Presiding Officer Ames.

18 MR. LUNA: No, sir, not at all. Please.

19 MR. AMES: Okay. Tricia, thank you for this
20 data. A few things that I've noticed. There's about five
21 or six tax offices that are on this committee and I hope
22 they've had time to review these numbers.

23 I did notice that the numbers that you have
24 listed for my county do not match what we actually have in
25 our records, so I was wondering where the data was pulled

1 from. It seems to be inflated. I know we have less than
2 118 limited service and less than 38 dealer deputies.

3 MS. UECKERT: Well, thank you for bringing that
4 to our attention. This is information that we had our
5 Information Technology Services Division pull up for us.
6 I will definitely go back and research that to see where
7 the discrepancies may be. So thank you for bringing that
8 to my attention.

9 MR. AMES: So, Tricia, you believe that it was
10 pulled then from the RTS system, or was it pulled from the
11 webSUB system?

12 MS. UECKERT: That's a very good question. I'd
13 have to confirm what source they actually pulled the data
14 from.

15 MR. LUNA: Presiding Officer Ames?

16 MR. AMES: Yes, sir.

17 MR. LUNA: Roland Luna, VTR Division director.

18 What we can do so that we can have some data
19 reliability with this, we can pull from both of those data
20 sources and then we can reconcile against each other. And
21 we're happy to provide an update on our findings in a
22 future meeting or even in a different forum where we meet
23 with the Tax Assessor-Collector Association. We're happy
24 to provide some reconciled information in the future.

25 MR. AMES: Okay. Thank you, Director Luna.

1 I just want to make sure, as the committee is
2 discussing this, that we're using as accurate data as we
3 can because I don't want to overstate a problem or
4 understate an issue by any means.

5 For the committee's reference, though, the
6 fiscal year that you're discussing, can you confirm,
7 Director Luna, that that is September to August each year?

8 MR. LUNA: We are using our fiscal years, the
9 state fiscal years, Presiding Officer Ames, which starts
10 on September 1 and ends at the end of August each year.

11 Yes, sir.

12 MR. AMES: Okay. Thank you. I just wanted to
13 make sure that that was accurate for the members that are
14 not as familiar with the DMV's fiscal year as we would be
15 as tax assessors.

16 And then one last question real quick -- and
17 you may or may not have this information -- I really
18 appreciate the fact that you provided the actual number of
19 renewals for the last three fiscal years. I think that's
20 great information, both renewals and title transactions.

21 Is there a way, since you also know the total
22 transactions processed by each county, to determine the
23 percentage? So for example, I'll just hit Bexar County --
24 I know Member Palacios is on the call here -- it shows
25 here that they have 109 limited services deputies and they

1 processed 271,000 transactions. What percentage would
2 that be of the overall transactions?

3 Is that 10 percent of the work done in the
4 county? Thirty percent of the work done in the county? I
5 think that would also be helpful for future discussions.

6 MR. LUNA: Presiding Officer Ames, Roland Luna.

7 MR. AMES: Yes, sir.

8 MR. LUNA: We have broken data a number of
9 different ways. The department was looking at information
10 by county, by region, by deputy type, and we have broken
11 it down different ways so that we could make sure that we
12 had a good understanding of the representation that
13 limited service deputies and full service deputies had
14 with renewals or registration. And we can certainly break
15 the data down a number of different ways.

16 So for the purposes of having the committee
17 understand just the big picture of what full service
18 deputies and a limited service deputies and dealer
19 deputies do from an aggregate level by fiscal year, we
20 felt that that this would be a good first start.

21 Obviously, Presiding Officer Ames, with your
22 expertise as a tax assessor-collector, you have more in-
23 depth knowledge on how the data can be broken down, but we
24 can certainly do that in the future and break it down a
25 different way so that get into more granular levels, if

1 that would be beneficial for the committee.

2 MR. AMES: Thank you, Director Luna.

3 Yes, I agree that I just want this committee to
4 see the importance of having the deputies, and so that the
5 committee members will understand the workload as a
6 percentage to the overall workload by each county or even
7 statewide. So thank you for the offer to provide that at
8 any other level at this point.

9 I understand we have a third presentation.

10 MR. LUNA: Yes, sir. Director Luna, VTR.

11 Presiding Officer Ames, before I move into the
12 last document that we were going to provide an overview,
13 are there any questions about the first two documents that
14 we covered?

15 MR. AMES: Members, any questions? I see
16 Member Drake has a question.

17 Member Drake.

18 MR. DRAKE: Yes. Just for clarification,
19 Deputy Director Thompson mentioned that the dealer
20 deputies have access to the webDEALER system. Do full
21 service and limited deputies have the same access?

22 MR. THOMPSON: Clint Thompson, deputy director,
23 Vehicle Titles and Registration Division. Presiding
24 Officer Ames, if I can have the floor?

25 MR. AMES: Yes, sir.

1 MR. THOMPSON: Thank you for the question,
2 Member Drake.

3 So the dealer deputies have access to
4 webDEALER, and that is how they submit their transactions
5 to county tax offices. The full service deputies do not
6 submit transactions via webDEALER. They actually use the
7 Registration and Title System, which is the same web-based
8 application that the county tax offices use. So they're
9 accessing the same interface, logging in the same way that
10 a county tax office does, and authorized to complete the
11 exact same transactions that a county does.

12 The limited service deputies, they have another
13 web-based application called webSUB, and it is separate
14 and distinct from webDEALER and from the Registration and
15 Title System as far as access and interface goes. Those
16 limited service deputies log in to webSUB and complete
17 registration renewals through that.

18 Ultimately webDEALER and webSUB transactions go
19 into RTS eventually, but they're more an intermediary, if
20 you will, to process those before they get to the ultimate
21 repository that is the Registration and Title System. So
22 no, full service deputies and limited service deputies do
23 not use webDEALER to complete their transactions.

24 MR. DRAKE: Thank you very much.

25 MR. AMES: Thank you, Mr. Thompson.

1 Thank you for the question, Member Drake.

2 Any other members have questions? I don't see
3 any hands up.

4 Member Drake, can you lower your hand unless
5 you have another question?

6 Any other members have questions?

7 (No response.)

8 MR. AMES: All right. Hearing none, Director
9 Luna, I believe we can proceed forward.

10 MR. LUNA: Thank you, Presiding Officer Ames.
11 Roland Luna, VTR Division director.

12 If you would like to follow along, you can find
13 the document that I will be discussing on page 9 of your
14 materials. And while you're finding that page, I just
15 want to mention and rehash a couple of things that we
16 talked about.

17 We provided the overview of deputies, the
18 various types of deputies, we provided some aggregate data
19 for three fiscal years. And I understand that Presiding
20 Officer Ames had some questions about our data source, and
21 we'll make sure that we follow up with that to make sure
22 that we identify the data source that we pulled the
23 information from and then reconcile any discrepancies that
24 we have.

25 The last document that we have really focused

1 in on our discussion for today concerning limited service
2 deputy operational costs reduction efforts, and on page 9
3 this document -- which is entitled "Limited Service Deputy
4 Engagements Through County Tax Assessor-Collector
5 Offices" -- this document covers and explains the limited
6 service deputies and what those cost inefficiencies are
7 today.

8 The limited service deputies, as you've learned
9 today, they assist the county tax offices primarily with
10 registration renewals. Each one of the counties is
11 responsible for creating their own standards and
12 practices, and the Department of Motor Vehicles is not
13 directly involved with the process of a county deputizing
14 a limited service deputy. However, the Texas Department
15 of Motor Vehicles understands the importance of
16 partnerships abroad and partnerships in this space with
17 our county tax assessor-collector partners, as well as
18 limited service deputies, full service deputies, and
19 dealer deputies.

20 Over the last few months, concerns have been
21 expressed about the variations across counties that create
22 work at the corporate level for limited service deputies
23 that result in cost inefficiencies, which is why we wanted
24 to have this committee take up these cost reduction
25 measures for discussion.

1 In the middle of the page where it says
2 "Discussion," you will see a bulleted listing of cost
3 reduction measures that have been identified thus far or
4 cost inefficiencies by the limited service deputies. Some
5 limited service deputies serve a number of counties, and
6 if you will refer back to the data that Section Director
7 Ueckert covered, you can see that there's a large number,
8 a high volume of transactions that are completed by
9 limited service deputies. And a limited service deputy
10 can serve as a limited service deputy for multiple
11 counties.

12 In the listing that -- if you'll continue to
13 move down the page, you can see the listing here that we
14 have thus far that's been identified is the oversight of
15 recordkeeping and holding time for paperwork that's going
16 to vary across the counties. Earlier in our discussion,
17 Deputy Director Thompson talked about how the bond amounts
18 are set by rule.

19 217.670 in the Administrative Code says that a
20 limited service deputy bond amount will vary from \$2,500
21 to \$1 million as prescribed by the county. And that
22 variation in bond amounts seems to be a cost inefficiency
23 for those deputies -- for those entities, I should say,
24 that are serving as deputies across multiple counties.

25 So what I'm saying by that is that if I am

1 Entity X and I am serving as a limited service deputy in
2 County 1 and County 2, my bond amount may be different
3 because it's determined by the county that I'm entering
4 into a contract with.

5 The next bullet is, the contractual agreements
6 vary across counties which impacts different timelines and
7 renewal standards. The record retention varies across the
8 counties. Some counties require limited service deputies
9 to pick up registration sticker paper from the county, as
10 opposed to other counties will deliver it directly to the
11 entity that's serving as a limited service deputy.
12 Identification requirements related to registration
13 renewal processing vary across the counties.

14 Limited service deputies must provide their own
15 printers and toner. And one point of clarification I do
16 want to make here is that the limited service deputies
17 have always provided their own printers and toner. That
18 isn't something that, at least in my experience here,
19 where it has been an expectation for the counties to
20 provide that to the limited service deputies.

21 Some counties require the retention of money
22 order stubs and certain reports, while other counties
23 don't. Inventory management requirements differ across
24 the counties.

25 And then lastly, some counties will deputize a

1 location, while other counties deputize the individual.
2 And for those that are not either employed or elected as a
3 tax assessor-collector, I'll unpack this one and explain
4 what it means.

5 So if I am an entity and I have a limited
6 service deputy agreement with a county and my entity is
7 deputized as opposed to individual employees being
8 deputized, that will vary by county. So some counties may
9 say we're going to deputize the store, other counties will
10 say we're going to deputize individuals at your place of
11 business that perform that function. So that's where some
12 of that variation could come into play.

13 And this is a summary of what we have
14 ascertained thus far at the Department of Motor Vehicles,
15 and we wanted to lay these things out, Presiding Officer
16 Ames, for you and the rest of the committee for
17 discussion. And we're happy to take any questions that
18 you have at this time.

19 MR. AMES: Thank you, Director Luna. This is
20 John Ames.

21 I would like to give further explanation,
22 because I know we're talking in terms such as limited
23 service deputies, and you know, very technical terms.
24 Basically, for committee members who aren't familiar,
25 these are the grocery stores that sell registration

1 stickers on behalf of your county tax assessor. There are
2 other businesses that sell on behalf of the county tax
3 assessor, but by and large, these are the grocery stores.

4 So the H-E-Bs, the Tom Thumbs, the Krogers, the
5 Albertsons have the world in Texas and they sell on behalf
6 of the county tax assessor.

7 A little more background. As you probably may
8 or may not know, county tax assessors, per Texas
9 Transportation Code, serve as an agent on behalf of the
10 Texas Department of Motor Vehicles. These limited service
11 deputies serve as an agent on behalf of the county tax
12 assessor-collector, so I do want to address some of the
13 things in here that I think will help us start discussion.

14 Number one is, county tax assessor-collectors
15 are independently elected within each county within the
16 state of Texas, so there's 254 counties, 254 elected
17 county tax assessors. When we are elected as county tax
18 assessor-collectors, we have a huge personal
19 responsibility and liability that comes with that role,
20 whether it be collecting property tax or acting as an
21 agent on behalf of the DMV.

22 Any funds that we collect are a personal
23 liability until such time as we actually remit those funds
24 to the agency which is required, whether it be the DMV,
25 whether it be the county itself, the cities and schools,

1 or the Comptroller's Office. So that's why when we talk
2 about things like bond amounts and the range and the
3 varying of that, I was around and remember when those
4 rules were set.

5 And the reason there is a range is because some
6 people feel more comfortable having a lower bond amount,
7 and some people feel more comfortable having a higher bond
8 amount. And the range was put in place to accommodate
9 that fact that there are 254 unique county tax assessors
10 that have to have a comfort level with doing that.

11 That being said, I do think it's very important
12 that we have as many opportunities for the public to get
13 vehicle registrations as possible. As you know,
14 government agencies are usually only open Monday through
15 Friday. Most of us are open between the hours of 8:00 to
16 5:00, 8:00 to 4:30, somewhere in that range. And so these
17 limited services deputies are what we call -- in Dallas we
18 call them neighborhood locations.

19 These neighborhood locations actually provide a
20 service outside of those business hours. So in the
21 evenings and on the weekends, when people be off of work
22 and they can run over and do their current vehicle
23 registration, it's a convenience to them. And not only is
24 it convenient to the citizens in the county, it is a
25 convenience to the tax assessor, because that is a

1 transaction that did not have to be processed during the
2 regular working hours in one of our offices.

3 It also is a convenience to the DMV that we get
4 these registrations done as quickly and as accurately as
5 we can moving forward. Additionally, it's actually a
6 convenience to the limited service deputies, and let me
7 explain that.

8 Obviously, if I am a grocery store, say I'm
9 grocery store XYZ and I offer vehicle registration, and
10 down the street from me is grocery store ABC and they do
11 not. If I am a citizen and I need to run and get my
12 vehicle registration and it's on the weekend, I'm going to
13 go to the grocery store, my wife or significant other may
14 say, hey, as long as you're headed to the grocery store,
15 would you pick up a gallon of milk, a loaf of bread and
16 grab me the latest *People* Magazine. So there's definitely
17 benefits on all sides of having limited service deputies.

18 One clarification, Director Luna, that I'd like
19 to ask, and you may have to ask some staff there, but it
20 is my understanding that prior to them being required,
21 prior to webSUB coming on, the limited service deputies
22 were actually provided a laptop from the DMV and they were
23 provided a printer. And so when webSUB was developed
24 about five or six years ago -- Deputy Director Thompson,
25 you may have to help me with the date, actually -- that's

1 when they no longer were provided with the equipment, the
2 toner and the printer that was needed. Is that correct,
3 sir?

4 MR. THOMPSON: Clint Thompson, deputy director,
5 Vehicle Titles and Registration Division.

6 So prior to webSUB, that's correct, Presiding
7 Officer Ames. The department actually did provide
8 counties laptops and printers that the county were
9 responsible for distributing to the limited service
10 deputies. We had a different application at the time that
11 was used for them to renew registration.

12 And then with the implementation of webSUB and
13 the requirement that we phased out the older software, if
14 you will, and the providing hardware to the limited
15 service deputies.

16 MR. AMES: Thank you, Mr. Thompson. Again,
17 Presiding Officer Ames here.

18 And let me just say that was a decision made by
19 the department, not the limited service deputies or the
20 county tax assessors. The Texas DMV, with the
21 implementation of their new webSUB program, determined
22 that they would no longer provide that hardware, and so
23 the limited service deputies were then at that point
24 required to provide their own hardware. At the time there
25 was actually no pushback.

1 I have over 80 limited service deputies in
2 Dallas County, and none of them had an issue with that.
3 In fact, they were more than happy to use their own
4 equipment because they felt like it was newer equipment
5 that actually worked better than the equipment that was
6 provided.

7 So I hope that helps give a little bit of
8 background to some of the committee members that are on
9 here who may not understand limited service deputies, as
10 well as the qualified tax assessors that are
11 participating.

12 Do we have any other tax assessors on the call
13 that would like to provide any other feedback or
14 historical knowledge on this before we actually start a
15 discussion?

16 (No response.)

17 MR. AMES: Okay. I don't see any then.

18 Members, how would you like to start this
19 discussion? What do you think of Mr. Luna's -- well, I
20 wouldn't call them recommendations. He certainly
21 identified what he believes to be some cost
22 inefficiencies.

23 Mr. Luna, can you explain why you believe that
24 there are inefficiencies? There are certainly differences
25 that those things have to happen, but how would you

1 recommend or even suggest that these what you believe
2 inefficiencies be turned into efficiencies?

3 MR. LUNA: Roland Luna, VTR Division director.

4 Over the last few months, Presiding Officer
5 Ames, we have heard from various entities, limited service
6 deputies, as well as had conversations with the Tax
7 Assessor-Collector Association, about cost reduction
8 measures. So when we laid these out in the document,
9 these aren't items that were particularly identified by
10 the Department of Motor Vehicles, but these were items
11 that were brought to the department.

12 And what we wanted to do is provide them to the
13 committee for discussion to see if there was anything that
14 could be considered as a more standardized approach. And
15 we certainly understand what you're saying about the
16 differences in the counties and the differences with
17 preference for the elected tax assessor-collector, but
18 this does not necessarily demonstrate our view of saying
19 this is a cost reduction measure that needs to be changed.

20 We wanted to make sure that we did the appropriate job of
21 providing this information to you that we have gathered
22 over the last few months.

23 MR. AMES: Thank you for that information,
24 Director Luna.

25 Could you provide to us the actual sources? Do

1 you have the limited deputy names? Was this just all from
2 one, was it from multiples?

3 MR. LUNA: We heard from one of your peers
4 across the state, and then that led to further discussions
5 with other tax assessor-collectors. And then ultimately
6 it led to one of the bigger limited service deputies
7 reaching out to us and wanting to have some conversations
8 about ways to reduce cost, and that was H-E-B.

9 MR. AMES: Okay. So besides H-E-B, has Kroger
10 or Tom Thumb or Albertsons or any other chain that would
11 sell stickers on behalf of county tax assessors, have they
12 been in contact with you or have you been in contact with
13 them?

14 MR. LUNA: Yes, sir. We have had some outreach
15 with several of those entities, Kroger, some of the bigger
16 ones that you named, Kroger, Tom Thumb, United, Fiesta, we
17 have had some outreach with those. Nothing has
18 materialized where we have had any conversations with them
19 to further expand or have discussions on cost reduction
20 mechanisms, but we have had some outreach, just nothing
21 has materialized there.

22 MR. AMES: Thank you, Director Luna. John Ames
23 here again.

24 So it sounds like this mainly stems from H-E-B,
25 which by far would probably be the largest limited service

1 deputy in the state. Would that be correct?

2 MR. LUNA: Roland Luna, VTR Division director.

3 From an aggregate standpoint, H-E-B does
4 process more registration renewals than any other limited
5 service deputy over the last three fiscal years.

6 MR. AMES: Okay. Thank you, Director Luna.

7 Members, any questions, any discussion items on
8 this? As a committee our charge is to certainly hear the
9 issue that's being brought forward to us, discuss it, give
10 feedback to the department. At this point the department
11 really hasn't brought any recommendation, but they're
12 bringing to us an issue that has been brought to them and
13 they're seeking feedback from this committee.

14 Member Hoyt, I see your hand is up. Member
15 Hoyt, please unmute yourself and be recognized.

16 MS. HOYT: Good morning. Kristen Hoyt from
17 Comal County.

18 I have a couple of questions and thoughts about
19 this. One of those is, has there been discussion in
20 having partners that are not grocery stores? I feel like
21 that is also kind of jumping to the conclusion that we
22 would need to break away from H-E-B should we not find
23 ways to reduce the costs.

24 I feel like that's jumping ahead. I do think
25 there are probably ways we can meet in the middle on some

1 of these things to make it more cost-effective, but have
2 there been discussions for other types of limited service
3 deputies?

4 MR. AMES: Member Hoyt, that's a great
5 question. I know that each county is allowed to enter
6 into an agreement with anybody that's qualified under the
7 Transportation Code, and I do not believe that is limited
8 to grocery stores.

9 Mr. Luna, can you confirm that other businesses
10 could sell besides grocery stores?

11 MR. LUNA: Roland Luna, VTR Division director.

12 I don't believe that there's a prohibition
13 against any other entity serving as limited service
14 deputies as long as they're qualified. We have our
15 General Counsel's Office on the line, and since that is a
16 legal question, I do want to defer to them if someone from
17 OGC could assist.

18 MR. AMES: Thank you, Mr. Luna.

19 And let me just say while they're coming on the
20 line, I believe David Richards is our representative from
21 OGC.

22 In Dallas County we actually have people
23 outside of grocery stores. For example, AAA sells
24 registration stickers and then we have a couple of credit
25 unions that sell registration stickers.

1 Member Aliu, I saw your hand up a minute ago.
2 I don't want you to get away from your question. I do
3 want to hear it as soon as we get an answer from OGC on
4 this question.

5 Mr. Richards, any response?

6 MR. RICHARDS: Officer Ames, I am not the OGC
7 attorney that's handling this area -- Chris Harrigan or
8 Tracey Beaver, who I think is on the line. I think what
9 Roland has stated is accurate but I would defer to them
10 since that is their area.

11 MR. AMES: Okay. Thank you, Mr. Richards. I
12 don't see either one of those people actually on the call.

13 Ms. Beaver, are you actually on the call?

14 (No response.)

15 MR. AMES: I don't see Ms. Beaver on the call.

16 Hopefully we can get some feedback on that, but
17 Member Hoyt, it's my understanding that other entities can
18 do that.

19 Member Aliu, you had a question. Can you
20 unmute yourself and please present your question?

21 MS. ALIU: Yes. This is Billie Aliu.

22 Regarding the cost reduction measures, what are
23 some of the cost reduction ideas? Or members, are we to
24 come up with the ideas or is there some to be suggested --
25 or are there some already suggested?

1 MR. AMES: Great question, Member Aliu.

2 It's my understanding as the presiding officer
3 that we were to have open discussion and possibly come up
4 with some. I think if the department had recommendations
5 or suggestions, they would have already presented them.

6 Director Luna, am I incorrect?

7 MR. LUNA: Roland Luna, VTR Division director.

8 You are correct, Presiding Officer Ames.

9 MR. AMES: Okay. So Member Aliu, we'd love to
10 have anything back from anybody on this committee that
11 might think -- I will have to say that this process has
12 been -- again, this is John Ames, presiding officer --
13 this process has been in place for many years. It has
14 gone through an evolution. In the 13 years I've been the
15 Dallas County tax assessor, we've seen improvements in the
16 process and efficiencies along the way.

17 You'll also note in the documents and
18 information provided by the DMV that not every county has
19 limited service deputies. For example, Anderson County
20 does not. They may be too small. They may not even have
21 a grocery store or may not have a need for a limited
22 service deputy because they can handle all the vehicle
23 registrations in the county tax office, and their citizens
24 have not asked for them to have a third party that can
25 assist them in the evenings or after hours or even during

1 the day.

2 Member Hoyt, I see your hand is still up. Did
3 you have another question, Member Hoyt? Your hand is down
4 now.

5 Any further questions from anybody?

6 MR. RICHARDS: Officer Ames, David Richards
7 from OGC.

8 I wanted to confirm that other entities, if
9 they're qualified, may serve in that role, so we have
10 confirmed what Director Luna had stated earlier.

11 MR. AMES: Fantastic. Thank you, Mr. Richards,
12 for that information.

13 MR. RICHARDS: You're welcome. Sure. Thank
14 you.

15 MR. AMES: Along that same -- again, Presiding
16 Officer Ames here -- let me just throw out to the
17 committee, I think that's one of the triggers right there
18 is, if we have businesses that are currently limited
19 service deputies and they feel like it does not fit the
20 needs of their own customers -- because let's be honest,
21 they have customers of their own, right? The tax office
22 and the county has customers.

23 The DMV has customers that we have to deal with
24 based on what our needs are, whether it be a property tax
25 or a motor vehicle title or registration transaction, or

1 even a handicapped placard, and then the limited service
2 deputies are other businesses that do other things. So if
3 that limited service deputy feels like it's not a benefit
4 to themselves and the customer and they don't want to do
5 it as a public service, then they certainly have the
6 ability to not perform that. And it would be a great
7 idea, Member Hoyt, to branch out to other businesses.

8 Director Luna, has the DMV reached out to any
9 other businesses, or do they leave that up solely up to
10 the counties to do?

11 MR. LUNA: Roland Luna, VTR Division director.

12 Since it is an agreement between the tax
13 assessor-collector and those entities, we think it's more
14 appropriate to have the individual counties reach out to
15 those establishments.

16 MR. AMES: Okay. Thank you, sir. Officer Ames
17 here.

18 Mr. Richards, I believe I can hear you in the
19 background.

20 MR. RICHARDS: I am muted.

21 MR. AMES: I don't know who that is I can hear
22 in the background.

23 MS. BREWSTER: Presiding Officer Ames, it
24 appears that it's our host.

25 Mr. Templeton, if you could please mute your

1 phone, that would be great. Thank you.

2 MR. AMES: Thank you, Ms. Brewster.

3 Ms. Brewster, any comments based on the
4 discussion we've had so far, from your viewpoint as the
5 executive director?

6 MS. BREWSTER: Thank you, Presiding Officer
7 Ames.

8 I think what you have before you are various
9 options for consideration and discussion. There's more
10 than one way to reduce costs and to streamline before you.
11 I think more than anything we just wanted to see if any of
12 these were items, if the CSAC wanted to pursue any of
13 these items or specific discussions around them.

14 I think that really is what the agency is
15 looking for in terms of any efficiencies that we want to
16 pursue. We were just at this point trying to get feedback
17 from the CSAC about any concerns or support around any of
18 these items.

19 Thank you, Presiding Officer Ames, for asking.

20 MR. AMES: Thank you, Ms. Brewster.

21 Members, you've heard what the department has
22 to say. You've heard a little bit about what deputies are
23 when it comes to the role of DMV and tax offices. You've
24 heard that there is a limited service deputy that has some
25 concerns. Obviously they appear to be the largest one,

1 and their concerns seem to be on what they perceive as
2 inefficiencies within the process based on the fact that
3 they are in multiple counties.

4 Do we have any recommendations as a committee?
5 Member Aliu.

6 MS. ALIU: Yes, this is Member Aliu again.
7 Thank you.

8 I guess for me to come up with any ideas, I
9 really would need to understand what the costs are, all
10 the costs, to even know what I could reduce. Is there a
11 way that we could get a list of the costs or verbally get
12 a list of the costs?

13 MR. AMES: Sure. That's a great question,
14 Member Aliu, and let me see if I can maybe give some
15 background. Let me even walk through the process of how
16 it works, because I think that's where we're getting hung
17 up is so many members on our committee don't really engage
18 in this on a daily process so they don't understand it.

19 I'm going to walk through it from the
20 perspective of Dallas County. And any one of our other
21 county tax assessors can walk through it from their
22 perspective, and see what the similarities are versus the
23 differences.

24 So when we approach somebody to be a limited
25 service deputy, we explain to them that they would act on

1 behalf of the county tax assessor, who acts on behalf of
2 the Texas Department of Motor Vehicles. They
3 contractually agree that they will act in good faith with
4 the laws and rules of the State of Texas when it comes to
5 vehicle registration renewals, that they will maintain
6 their equipment and such that they can provide
7 registration stickers, that they will, as stated in here,
8 provide their own printers, toner and computer, and they
9 will use a program through the Texas DMV called webSUB.

10 They will provide a bond to the county tax
11 assessor. And let me explain what that bond means. When
12 we as county tax assessors provide RTS paper, which is the
13 paper that the sticker is printed on, that paper has a
14 value.

15 And so a blank piece of paper that has a
16 sticker on it has a value of at least \$65, \$75, because
17 that's what a sticker would cost, right? And so if we
18 provide you 100 pieces of paper, the 100 pieces is now
19 worth almost \$1,000 in value, and so that bond covers the
20 value of that paper.

21 In other words, if that paper were to be lost
22 or stolen or misused for inappropriate reasons, then the
23 county tax assessor would have the ability to actually
24 file on that bond against that company to get back the
25 funds that would be lost. Because remember what I stated

1 earlier is the county tax assessor has personal liability
2 for the funds that we collect, whether we collect or H-E-B
3 collects it to Tom Thumb collects it. If they're an agent
4 on our behalf, and we're an agent on behalf of the DMV,
5 then we have to maintain that personal responsibility.

6 And so when it comes to the oversight of
7 recordkeeping and the holding time for paperwork, that is
8 certainly something that I think the department could work
9 out with county tax assessors to standardize. For
10 example, in Dallas County, we require that you close your
11 batch -- which is the group of registrations that you've
12 been processing on our behalf -- that you close that batch
13 when you reach 300, or at least once a week, and then
14 submit those records to us.

15 Contractual agreements, I think every county
16 tax assessor has a county attorney that actually works
17 with them to develop their contracts and their agreements.

18 I am not opposed to the DMV maybe recommending a standard
19 contract that would be easier for everybody, for all the
20 entities.

21 You do have to remember, though, that just
22 because the DMV recommends a standard contract, county tax
23 assessors may have attorneys that believe that there
24 should be additional or less things in that contract. And
25 at the end of the day, each county tax assessor is

1 represented by a personal county attorney, not the DMV's
2 attorney.

3 Record retention requirements vary across
4 counties. That should certainly be standardized. I mean,
5 record retention is record retention, whether it's a
6 document that we maintain within the county or at one of
7 our deputies. So I would certainly welcome the DMV to
8 maybe make some recommendations on record retention and
9 maybe put out a document.

10 You know, the requirement of picking up
11 registration sticker paper, we -- obviously in Dallas
12 County we deliver it as a convenience to our limited
13 service deputies in neighborhood locations.

14 Identification requirements related to
15 registration renewal processing across various counties,
16 I'm not sure what that means. I'm not sure if it's the
17 requirement of the person getting the registration
18 sticker, or the requirement that we identify who's
19 actually processing those registration stickers. But I
20 will say this, identification requirements should be the
21 same across the state.

22 Whether you're coming into a grocery store or a
23 county tax office, whatever the rules and the regulations
24 are for the State of Texas in the Transportation Code
25 should be what everybody is using.

1 Some counties require retention of money order
2 stubs and certain reports. Again, all the reports should
3 be standardized with the webSUB system, so if there's
4 different reports that are being required, that's
5 certainly something that we can have DMV look at and do a
6 poll around to see who's requiring what reports.

7 As far as payments go, we offer multiple
8 payment options here in Dallas County for our limited
9 service deputies. Obviously they're collecting money from
10 a citizen that has to be remitted to us so we can remit it
11 to the DMV. In Dallas County we allow them to pay with
12 money orders if they'd like, or we allow them to ACH that
13 money to us, whatever is the most convenient for them.
14 Many of our grocery stores prefer to do money orders
15 because that's another service that they offer right there
16 in their grocery store and it's quick and easy for them to
17 go ahead and do money orders.

18 Inventory management requirements differ across
19 counties. I'd like for the DMV to maybe give us some more
20 details on that because, again, it is important to both
21 the DMV and to the county tax assessors that inventory is
22 managed properly.

23 For example, in Dallas County we require that
24 the sticker paper be locked up in a safe place. It can't
25 just be out on the counter for anybody to use, right? It

1 needs to be in a safe place and only be used when a
2 registration sticker is being done.

3 That's to prevent fraud. It's to prevent loss.

4 It's to prevent inefficiencies in costs, and so we want
5 to make sure that that is maintained properly.

6 And then some counties deputize the location,
7 and other counties deputize the individual on an annual
8 basis. That's an interesting one, and I'll give you a
9 little feedback from Dallas County.

10 We used to deputize the individual, but what
11 we've found is there's such high turnover in these limited
12 service locations that it is difficult to deputize the
13 individual. Because there would be a point where we'd
14 have five people deputized in grocery store A, and at the
15 end of the week they'd say, None of those five people work
16 here anymore so we can't do stickers this week because we
17 need to get re-deputized.

18 And so we did switch, with the advice of our
19 counsel here in Dallas County that said, No, you can
20 deputize the location who can then determine who on their
21 staff can do that. And that deputized location can then
22 determine and will be covered under the bond.

23 So I hope that that background is a little
24 helpful. Member Aliu, did that help a little bit with the
25 discussion? I see your hand is still up so I'd love to

1 hear if you have anything else.

2 MS. ALIU: Yes, it helps a lot. This is Member
3 Aliu. I'm sorry. Of course it leads me to more
4 questions.

5 MR. AMES: That's what we're here for.

6 MS. ALIU: For example, the paper stickers that
7 you're referring to, who manufactures those papers and has
8 it been thought that maybe they can be manufactured at a
9 lower cost? But you know, with the rising costs
10 everywhere, I'm not so sure.

11 MR. AMES: That's a great question, Member
12 Aliu. This is John Ames, and let me explain how the paper
13 comes.

14 So the sticker paper comes directly from the
15 DMV. Each county in Texas is allotted a certain amount of
16 paper from the DMV each year based on their previous
17 year's registrations. There's some increase factors
18 worked into that calculation.

19 And then once the county obtains that paper --
20 we order it from them either weekly or monthly, depending
21 on what your county inventory availability is and what
22 your storage capacity is. And then each county is
23 determined to provide that paper to their limited service
24 deputy. And like we mentioned in here, it could be that
25 we deliver it, we require them to pick it up, maybe some

1 people mail it -- I would hope that that would be under
2 some kind of certification.

3 But that's a great question, Member Aliu.
4 Maybe one of the efficiencies could be that the DMV
5 provides the paper directly to the limited service deputy,
6 which cuts down efficiencies in having to get the paper
7 from the county. I love that question.

8 Director Luna, did you have any comments? Or I
9 see Deputy Director Thompson has just unmuted himself.

10 MR. THOMPSON: Clint Thompson, deputy director
11 of Vehicle Titles and Registration.

12 So to Member Aliu's question, there is no cost
13 of sticker paper to the counties or the limited service
14 deputies. That is provided free of charge to the
15 counties, and in turn, the counties supply that to the
16 limited service deputies, so reducing paper costs would
17 not result in a cost reduction for counties or limited
18 service deputies.

19 MR. AMES: Thank you, Mr. Thompson.

20 MR. THOMPSON: I'll touch on, Presiding Officer
21 Ames, as far as delivering those directly to the limited
22 service deputies and to your point about staff turnover,
23 the department doesn't have the direct relationship with
24 the limited service deputies to know the bond amounts and
25 what paper may be supplied to them or not supplied to

1 them. So I think that would be a challenge for the
2 department to implement direct mailing, if you will,
3 delivery of the sticker paper to individual entities.

4 MR. AMES: Thank you, Mr. Thompson.

5 Member Aliu, you have further questions?

6 MS. ALIU: This is Member Aliu. Not at this
7 time. Thank you, Mr. Ames.

8 MR. AMES: Thank you.

9 Again this is Presiding Officer Ames. I hope
10 that those discussions and that explanation has been
11 helpful. As we see, the department is as limited as
12 county tax assessors are, right? And so if the
13 department, the DMV has some suggestions that could help
14 or could jump in there, we would be more than grateful to
15 review those and determine what we could do.

16 At the end of the day, it is important that we
17 have options for our citizens within our counties, and
18 limited service deputies certainly provide us with
19 options.

20 Any other members have comments, questions?
21 Are there any county tax assessors that would like to talk
22 a little bit about their process, if it differed or if it
23 was the same as I described in Dallas County? Member
24 Stidham or Member Hoyt, Member -- let's see, who else is
25 on here -- Member Palacios?

1 Member Hoyt, I see your hand is up. Please
2 unmute.

3 MS. HOYT: Good morning. Kristen Hoyt, TAC in
4 Comal County.

5 I'm going to share a little bit. We have five
6 partners that we work with; they are all H-E-Bs. So on
7 one hand, not finding a common ground with that partner
8 could vastly impact our production here.

9 We do not deliver the paper, they do come by
10 and pick it up. Of course, Comal is still relatively
11 small, so they're not going out of their way too terribly
12 bad. We do have a \$35,000 bond. I don't know, any other
13 TACs, if that's high or low.

14 And then my last comment, it seems that based
15 on the discussion items versus what we can realistically
16 do here in the county as the TACs in partnering with these
17 grocery stores, I think we should definitely decide which
18 of these recommendations are not going to impact small
19 county versus large county throughout the state. And so
20 in standardizing some of these things, I'm all for that,
21 while protecting the ones, like you mentioned, about the
22 bonds, you know, certain things that may strongly differ,
23 again, from small county to large county, and allowing
24 that to remain the decision in the hands of the tax
25 office.

1 MR. AMES: Thank you, Member Hoyt.

2 Any other questions or comments based on Member
3 Hoyt's information? Any other tax office want to share or
4 comment on their process with limited service deputies.

5 MR. STIDHAM: This is Grayson County, Member
6 Stidham, and I guess this question is directed to Director
7 Luna.

8 What seems to be the major problem that H-E-B
9 has raised that you could share with us?

10 MR. LUNA: Presiding Officer Ames, Roland Luna,
11 VTR Division director.

12 Over the last few months it has been about
13 these very things, cost efficiencies. From their
14 perspective, H-E-B believes that the investment that
15 they're putting in the limited service deputy relationship
16 is not something where they're meeting a place where it's
17 cost-neutral. And I certainly don't want to speak for
18 H-E-B, but in the discussions that we have had with them,
19 they enjoy the relationship with the tax assessor-
20 collector.

21 They think it's a valuable service that's
22 provided to their customers, especially when you consider
23 the time frames that they are open, just as Presiding
24 Officer Ames talked about where we have a tax assessor-
25 collector's office that's open from 8:00 to 4:30 or 8:00

1 to 5:00 and grocers -- not just H-E-B but grocers have
2 extended business hours, so that's a benefit to customers.

3 But from their standpoint, they weren't
4 necessarily looking for a profit, if you will. It was
5 more about reaching a place of a cost-neutral position,
6 and I know that we don't have anyone signed up for public
7 comment, but perhaps at a future meeting, if there were to
8 be one, we could have representation from grocers or
9 limited service deputies that could speak directly to that
10 at a future meeting, if we have an opportunity for that.

11 MR. AMES: Thank you, Director Luna. I think
12 that's a great idea. This is Presiding Officer Ames.

13 Let me just comment on the bullet points that
14 Director Luna has actually provided us on page 9. If we
15 walk through each one of those bullet points as a
16 committee, let's talk about where there could be cost
17 savings on behalf of the limited service deputies.

18 Oversight and record keeping or holding time
19 for paper varies across counties. I don't know if Dallas
20 County says you have to do it every five days and Comal
21 County says you have to do it every three days, if that's
22 a cost savings.

23 Why don't we standardize that and say everybody
24 has to do it every five days? Where is there a cost
25 savings on that? So I'd be curious to see where that is.

1 Bond amounts vary by county. That certainly is
2 a cost on behalf of the limited service deputy. As Member
3 Hoyt said, they require a \$35,000 bond. We require a
4 \$15,000 bond here in Dallas County, but I do believe that
5 that is also based on the quantity of paper that's
6 provided.

7 So for example, Member Hoyt may provide her
8 limited service deputies larger quantities of paper which
9 justify the \$35,000 bond, and that may be something that
10 she's agreed upon with her folks so that they don't have
11 to come pick it up as often and she's comfortable giving
12 them.

13 So that is cost issue that may be something
14 that we could standardize across the state. And what we
15 would have to do is make sure that if we agree with H-E-B
16 that all bonds are going to be \$25,000 across the state
17 and it gets you a full box of paper or a half a box of
18 paper, that we don't upset Tom Thumb or Kroger or
19 Albertsons. They may say we don't want that much paper or
20 we want more, and so we may adversely affect another
21 limited service deputy by making one happy.

22 Contractual agreements vary across the
23 counties. Honestly, a contract is a contract, so if their
24 attorneys review the contract, I can't imagine that
25 there's a cost difference if there's a different contract.

1 Record retention requirements vary across the
2 counties. Again, I don't see where that's a cost for the
3 limited service deputy. I'd like to know from their
4 perspective how that's more expensive for them for record
5 retention. And again, we should all be using the same
6 record retention, so I would certainly welcome some
7 feedback from DMV on that.

8 Some counties require limited service deputies
9 to pick up paper versus some deliver. That could
10 certainly be a cost, exactly. If you have to have a staff
11 member that has to get into a vehicle, drive over to the
12 county tax office and pick it up, versus somebody like me
13 who actually delivers it to them, that is a cost and I
14 could see where that could be something that we could
15 certainly work with either the counties to make sure that
16 they have somebody to deliver. But at that point, then it
17 becomes a cost to the county.

18 Do we have somebody that can drive out there
19 and pick them up? I do in Dallas County; it doesn't sound
20 like Member Hoyt does in Comal County. It sounds like the
21 department is unwilling -- at this point they don't have
22 anybody, based on Deputy Director Thompson's comments,
23 that they can make deliveries or even take on that
24 opportunity.

25 Identification requirements for registration

1 renewals, again, how is that a cost issue? I'm concerned
2 on how they believe that's a cost issue. If we ask for a
3 driver's license and not in the other county, how does
4 that affect the cost of doing business at that location.

5 Limited service deputies providing their own
6 printers and toner. That was a decision made by the
7 department when webSUB came on, so that was not something
8 that county tax assessors had any say in. The department
9 determined at that point that the limited service deputies
10 would actually provide their own equipment.

11 Maybe that could be revisited and the
12 department would now provide equipment on behalf of
13 limited service deputies to process these registrations.
14 And let me point out that's probably not a big stretch
15 because the department provides equipment to counties
16 right now. Every single county in the State of Texas is
17 an agent on behalf of the DMV.

18 The DMV provides each county with computers,
19 monitors, printers, switches and routers at no cost to the
20 county for being an agent on their behalf. And so, again,
21 they're doing that for the counties, maybe that's
22 something they could pick back up and start doing for the
23 limited service deputies as well.

24 Again, money orders versus other forms of
25 payments, it could cost for money orders but we provide

1 options. You don't have to pay with a money order. You
2 can pay with a less expensive way to do it.

3 Inventory management requirements. Okay, so
4 whether we require you to lock up your paper in a drawer
5 or a safe, there may be a cost to having a file cabinet
6 that locks or something like that. I think that would be
7 a fairly minimal cost and a one-time cost per location.

8 And then the deputy location issues, I fail to
9 understand how if we deputize one person versus the whole
10 area, how that's a cost to the limited service deputy.

11 So I really appreciate all these bullet points
12 that have been provided by Director Luna from, it appears,
13 just H-E-B at this point. And I'd love maybe an
14 opportunity for H-E-B to speak to this committee and
15 explain to us how they believe we can make these costs
16 more efficient for them, or my suspicion is they want more
17 than the dollar allotted by the state to actually process
18 these transactions.

19 Comments or questions, committee members?

20 (No response.)

21 MR. AMES: And that's something that we haven't
22 really touched on, so Director Luna, would you explain how
23 the limited service deputies actually get paid?

24 MR. LUNA: Roland Luna, VTR Division director.

25 The monetary amount that the limited service

1 deputies receive for processing a registration renewal is
2 set out in rule, and it's 217.164. And the rule specifies
3 that a limited service deputy will be paid one dollar for
4 each registration renewal transaction.

5 MR. AMES: And Mr. Luna, where does that dollar
6 come from?

7 MR. LUNA: Can you explain what you mean by
8 that, Presiding Officer Ames?

9 MR. THOMPSON: Director Luna, I understand the
10 question.

11 Clint Thompson, deputy director, Vehicle Titles
12 and Registration Division.

13 So that dollar allotted in Texas Administrative
14 Code comes from the processing and handling fee of the
15 \$4.75 associated with each registration; the limited
16 service deputy retains one dollar out of that amount.

17 MR. AMES: Okay. And Director Thompson --
18 again, this is Presiding Officer Ames -- the processing
19 and handling fee for every vehicle registration in the
20 State of Texas is \$4.75, with the exception of if you
21 renew your registration online and then it's \$4.50. Is
22 that correct?

23 MR. THOMPSON: Clint Thompson, deputy director,
24 Vehicle Titles and Registration Division.

25 That's correct. It's standardized for those

1 transactions, except for the online renewal there's a
2 dollar discount there.

3 MR. AMES: Twenty-five cents discount.

4 Correct?

5 MR. THOMPSON: So the total fee is a dollar
6 reduced. There's a difference in compensation to the
7 county versus to the state and what the state pays, but
8 the total reduction for the customer actually renewing
9 online is a dollar, so it's \$3.75.

10 MR. AMES: Thank you, Mr. Thompson. I
11 appreciate your clarification. Again, Presiding Officer
12 Ames here.

13 So in rule set by the DMV Board, as a
14 recommendation by the staff at DMV, there is a processing
15 and handling fee of \$4.75, \$3.75 for online transactions.

16 Out of that \$4.75, county tax assessors are allowed \$2.30
17 to process vehicle registrations. If we choose to have a
18 limited service deputy, they get paid a dollar out of the
19 county's \$2.30.

20 So the limited service deputy receives a dollar
21 and the county now receives \$1.30, and the agency still
22 receives their full amount. Is that correct, Director
23 Luna or Mr. Thompson?

24 MR. LUNA: Roland Luna, VTR Division director.

25 That is correct.

1 MR. AMES: Okay. Thank you very much.

2 Presiding Officer Ames here again.

3 Members, any comments or questions on that, any
4 thoughts about how that may affect limited service
5 deputies?

6 MR. DRAKE: This is Member Drake, Auto Data
7 Direct.

8 Just a comment, Presiding Officer Ames, you
9 mentioned several times the word "standard," and my guess
10 is H-E-B's issue is they would like to see more
11 standardization of practices and requirements across the
12 counties. That may be possible to some degree, based on
13 vehicle registrations per county or vehicle population per
14 county, I don't know. But certainly it might be helpful
15 to have an H-E-B person to comment specifics on their
16 issue.

17 From an administrative cost, I think they may
18 be looking at the fact, as earlier mentioned, that there's
19 quite a bit of turnover at their locations. They have to
20 train these people to some degree, and if it's varying
21 requirements, it makes it much more difficult.

22 But again, I would encourage if we could get
23 some actual testimony from H-E-B, maybe we could get to a
24 better understanding of their requirements and their
25 issues.

1 MR. AMES: Thank you, Member Drake for that
2 feedback, very good feedback.

3 I agree. Standardization is always the goal.
4 Right? It would be great if every county tax office in
5 the state did things exactly as every other county tax
6 office. Unfortunately, everybody is human so there's
7 little different changes.

8 But I believe that the department's goal is to
9 standardize as much as possible and county tax assessors
10 would certainly welcome standardization. It helps us when
11 we're processing things to be standardized, as long as
12 it's an efficiency in standardization.

13 MR. RICHARDS: Officer Ames?

14 MR. AMES: Yes, sir.

15 MR. RICHARDS: David Richards, OGC, for the
16 record.

17 Executive Director Brewster has her hand up.

18 MR. AMES: Oh, I'm sorry. I didn't see. Oh,
19 she's down there in the Ws.

20 Whitney, please unmute yourself.

21 MS. BREWSTER: Thank you, Presiding Officer
22 Ames.

23 I just did want to provide a little bit of
24 information to the advisory committee. We have reached
25 out asking for limited service deputies to serve on the

1 CSAC and we will continue to explore that and encourage
2 participation.

3 H-E-B was invited today, however, H-E-B was
4 pulled away at the last minute to address a different
5 issue. So we will make it a point to invite H-E-B again
6 so that they can provide information, as well as any other
7 limited service deputy that may want to participate and
8 provide information to the committee.

9 I did want to just address Member Aliu's
10 comment about production of paper and shipping, and to
11 your comment, Presiding Officer Ames, about looking at the
12 direct shipment to the limited service deputies. I
13 certainly do not want to take that off of the table. I
14 think that is something that we could, as an agency,
15 further explore.

16 We would have to work very closely with the
17 counties to determine the appropriate amount, however, I
18 just did not want members to think that that was not an
19 option. We are willing to look at any of these items
20 before you, in addition to any other items that the
21 committee comes up with. So I just wanted to make sure
22 that members were aware of that.

23 Thank you.

24 MR. AMES: Presiding Officer Ames here.

25 Thank you, Ms. Brewster. We appreciate the

1 department's willingness to jump in and help wherever they
2 see that they could.

3 MS. BREWSTER: And Presiding Officer Ames, if I
4 may just add one additional comment based on the
5 discussion around costs and the rule.

6 The agency is bringing forward items for cost
7 reductions in an effort not to increase the P&H fee to our
8 customers across the state, especially during COVID
9 recovery. So the focus was really first on looking at how
10 we might be able to reduce the costs, so just wanted to
11 provide that little bit of context.

12 Thank you.

13 MR. AMES: Absolutely. Thank you, Ms.
14 Brewster.

15 Again, Presiding Officer Ames here. And I
16 always think looking at efficiencies is the best way to
17 look at anything. No matter if it's an issue or not, we
18 should all be looking at efficiencies at the state level
19 and the county level, and we should be looking at
20 efficiencies within our own households every day, right?

21 Members, any other questions or concerns? My
22 fear is that the efficiencies are not going to be enough
23 to make this particular limited service deputy happy and
24 move forward, so we may have to look at alternatives that
25 would make them be more willing to continue this

1 relationship with the counties and ultimately the DMV.

2 I guess my question would be, I certainly agree
3 with every member who has stated it, it would be really
4 nice to have H-E-B here. And I appreciate, Director
5 Brewster, that you have invited them, and I'm certainly
6 disappointed that they were unable to attend because I
7 think it would be great to hear from them some of their
8 pain points.

9 Obviously Director Luna has done a good job of
10 putting these in bullet points, but to hear it from the
11 person who's actually saying, this is why we can't do this
12 anymore, this is why it's not efficient for us anymore,
13 would be most helpful.

14 Members, any other comments, concerns,
15 suggestions, recommendations?

16 Member Sutton, I see your hand up. Please
17 unmute.

18 MS. SUTTON: Member Sutton. If like H-E-B was
19 to quit helping doing the renewals and all, what kind of
20 load would that put back on the county as far as hiring
21 more employees and stuff?

22 MR. AMES: Member Sutton, this is Presiding
23 Officer Ames.

24 That is an excellent question, and one of the
25 reasons why I asked earlier if the numbers were provided

1 if we could actually set the percentages. For example, in
2 Dallas County, my limited service deputies process
3 approximately 20 percent of all the registrations in
4 Dallas County. Now, we're the second largest county in
5 the state and so we process 2.5 million registrations a
6 year. That would be a huge workload to come back into
7 Dallas County.

8 But I'm not sure what some of the smaller
9 counties that have H-E-Bs -- we, unfortunately, don't have
10 H-E-Bs up here in Dallas. They've stopped just short of
11 the county line. They're in Ellis County just below us,
12 just south of us, but they won't come up into Dallas for
13 some reason. We have other stores up here, but not H-E-B.

14 And so it would be great to know how many
15 transactions based on percentage of workload would that
16 be. The other thing is, I believe that Mr. Luna said that
17 they do more granular. Right? And so for example, right
18 now it says Bexar County has 109 limited service deputies.

19 How many of those are actually H-E-Bs versus the Krogers
20 and the Albertsons?

21 And so, Member Sutton, to your point, what is
22 the workload if H-E-B pulls out? Does that mean that it
23 just shifts over to Albertsons and Kroger, or like in
24 Member Hoyt's county, the only limited service deputies
25 they have are H-E-Bs, which means she either has to find

1 another limited service deputy or bring that workload back
2 into her office.

3 Member Sutton, I see your hand is still up. Do
4 you have a further question based on that?

5 MS. SUTTON: No, sir. I was just thinking that
6 was something for the counties to think about is, if H-E-B
7 is not happy and they pull out, then that's a load that
8 could be put back on them.

9 MR. AMES: Absolutely. And I completely agree,
10 Member Sutton -- Presiding Officer Ames here -- the
11 counties are constantly looking at new ways to help
12 citizens, right?

13 Because we understand our county commissioners
14 are not just handing staff out to us like a PEZ dispenser,
15 that's for sure. And so we have to figure out new
16 efficiencies as our workload increases year after year,
17 and so by having more limited service deputies, that helps
18 us to push off some of that vehicle registration renewal.

19 There was also a huge effort about seven or
20 eight years ago by the department and counties to
21 encourage people to do more online registrations, which
22 meant that that would be less paper coming into tax
23 offices and going to the limited service deputies.

24 Executive Director Brewster, could you speak to
25 that a little bit and maybe even tell us: have we seen an

1 increase in online registrations, or is that something
2 that people -- you know, we've found here in Dallas County
3 that everybody is a procrastinator, right? And so by the
4 time they realize their stickers, it's too late to do it
5 online and they must come in and get it done.

6 Director Brewster?

7 MS. BREWSTER: Yes. Thank you, Presiding
8 Officer Ames.

9 One of the things that the agency did to
10 increase online transactions are a couple of things. One,
11 we looked at ways to make it cheaper for them to do it
12 online to drive more online transactions. We also
13 recommended to the legislature, and they agreed, to change
14 the requirements around the registration receipt that you
15 receive when you do a transaction online, that that could
16 serve as proof of registration should a customer get
17 pulled over roadside and not have their actual sticker
18 received yet -- it may be in the mail.

19 Another change that was recently made this last
20 legislative session was around being able to do an online
21 transaction up to a year after being late. When I first
22 came to the agency, there was not the ability to register
23 your vehicle late if you were late. We moved that to six
24 months, and then to nine months during COVID-19. And then
25 the legislature this last session moved that to twelve

1 months, so anyone who is expired a year or less could do
2 their transaction online.

3 Especially during COVID-19 we did see a pretty
4 significant spike in our online transactions, up to over
5 50 percent, and we were at about 20 percent. And I'd like
6 for our VTR to just make sure if I'm incorrect on this to
7 provide clarification, but we have seen those numbers go
8 back down to hover around the 30 percent of all
9 transactions percentage.

10 Mr. Luna, is that correct?

11 MR. LUNA: Executive Director Brewster, Roland
12 Luna, VTR Division director.

13 That is exactly right, and if I could provide
14 some additional context. One of the things that I think
15 the agency does a fantastic job of doing as it relates to
16 online registration renewals is the communication mediums
17 that we use, Facebook, Twitter, the various social media
18 platforms. We send out a reminder on all of those
19 platforms each month reminding people in the public that
20 may be following us on our social media platforms about
21 registration renewals, and we know that those
22 communications are retweeted or re-shared, reminding
23 people to renew online and save the dollar and renew on
24 time.

25 From a numbers standpoint, through the peak of

1 COVID, we would see individual months where we would have
2 as much as 620,000 registration renewals online, and we
3 had several consecutive months where it was consistently
4 over 600,000 registration renewals each month. As
5 Executive Director Brewster did mention, that number has
6 come down some during this COVID recovery period.

7 As we continue to deal with the pandemic, it's
8 hovering more around 500,000, the high 400,000, 470,000,
9 430,000, and each year we're seeing over 5 million online
10 registrations completed. And to your point, it
11 consistently hovers around the 30 percent, is what we see
12 consistently.

13 We hope to be able to grow that number in the
14 future and we hope that that's a mechanism that the public
15 continues to utilize. We have some other items that we're
16 working on at the department for some other mechanisms for
17 the public to take advantage of for online registration
18 renewals that we think will help grow this number even
19 more.

20 MR. AMES: Thank you, Director Luna.

21 This is Presiding Officer Ames. I think that's
22 great information, and I think that's certainly something
23 that is germane to this subject, because we're talking
24 about how can we serve the public better. And being that
25 we can provide them with more options for online services,

1 I would love to see additional advertising. I don't know
2 if the department has any kind of advertising budget to do
3 commercials or radio ads for online registrations. The
4 social media platforms are great, and I know many counties
5 actually re-share or retweet the social media that the DMV
6 puts out.

7 Director Luna, you have your hand up again.

8 MR. LUNA: Officer Ames, Roland Luna, VTR
9 Division director.

10 I did want to go back to one item that you
11 talked about earlier with the registration renewals by
12 county and just talk a little bit about numbers that we
13 had previously run. And earlier in the meeting we talked
14 about an additional breakdown of numbers that we could
15 provide for the committee. The numbers that we have are a
16 little dated and we can certainly refresh the data, but
17 earlier one of the committee members was talking about a
18 limited service deputy breakdown by county.

19 We have broken down data before in the past,
20 where we've broken it down for all limited service
21 deputies combined, or for particular limited service
22 deputies within a given county, and then quantified that
23 from a percentage standpoint to see what the aggregate
24 amount of transactions for all limited service deputies
25 would compute to for a given county.

1 So what that means is, let's say that we had
2 county X that had 25 limited service deputies. Well, what
3 percentage of the registration renewals for that county
4 are being completed by the limited service deputies, and
5 then what is the breakdown for each limited service
6 deputy?

7 And I think in all counties, not just the large
8 counties, I think that in all counties where there's a
9 significant limited service deputy footprint that it's
10 meaningful for the tax assessor-collectors. So we have
11 looked at that data once before. We can certainly refresh
12 that data and we can make sure that we lay it out in a way
13 that's easy to follow for the committee, if we indeed have
14 a follow-up committee meeting.

15 MR. AMES: Thank you, Director Luna.

16 Presiding Officer Ames here. I think that's
17 certainly way helpful, not only for the individual
18 counties but for the committee members to see.

19 For example, here in Dallas if we see that one
20 of our limited service deputies has had a drop off of
21 sales, we contact them and we say, hey, what's going on.
22 And they either say, oh, our equipment is broken or we ran
23 out of paper and we forgot to order more, or our employees
24 have all left and we have to hire and train new ones. Or
25 they just say, you know what, we're really not interested

1 in doing this anymore. And so we work with them on that.

2 But I do think that's a very important
3 breakdown that each county would like to see. And as a
4 committee we'd love to be able to see, you know, how many
5 registration stickers and by percentage -- which I think
6 that is very important -- does H-E-B sell in each county.

7 What impact would it have on those counties, and let's
8 maybe get some impact from those county tax assessors
9 before we move forward.

10 You know, it's one of those things, Director
11 Luna and committee members, I have a staff of 275
12 employees, when one person does something wrong, I can't
13 create a rule that affects the other 274 when they weren't
14 affected by it.

15 Director Luna, you had your hand up? Oh, I'm
16 sorry, Director Luna, can I go to Member Palacios real
17 quick? We do have a couple of members that have their
18 hands up.

19 MR. LUNA: Yes, sir, absolutely.

20 MR. AMES: I do apologize.

21 Member Palacios, and then after that, Member
22 Hayter. Member Palacios.

23 MR. PALACIOS: This is Member Palacios, Bexar
24 County.

25 MR. AMES: Member Palacios, we can barely hear

1 you. Can you speak up, please?

2 MR. PALACIOS: Yes. I'd just like to let the
3 committee members know that on the internet transactions,
4 the counties only get 25 cents. And so whenever it does
5 shift over to internet, we do reduce our revenue, and some
6 of it goes to Xerox and I guess some of it also goes to
7 the state or the state keeps a portion of it. So just to
8 let them know is all we keep is a quarter out of every
9 internet transaction.

10 MR. AMES: Thank you, Member Palacios.

11 This is Presiding Officer Ames, and let me just
12 follow up on that for the rest of the committee members.
13 As I said earlier, \$2.30 to the county for each
14 registration process, and as Mr. Thompson said, there is a
15 dollar reduction in the P&H fee for online transactions
16 and the county only gets to keep 25 cents rather than
17 \$2.30.

18 And the justification for that is that we are
19 no longer processing and printing those stickers. That's
20 done centralized in Austin through a vendor that DMV
21 has -- I believe that's Xerox is that vendor -- and so
22 that cost goes on to them to print that sticker. The
23 county still does have responsibility for reconciling the
24 fiscal matter on the end of that, for making sure that the
25 money is brought into our county and distributed properly,

1 and that we are responsible for approving those
2 transactions when they go online before they are sent to
3 the vendor for printing.

4 Member Hayter, you had your hand up. Member
5 Hayter?

6 MR. HAYTER: Yes, sir, this is Russell Hayter.

7 I was wondering if there was an option to
8 adjust the convenience fee amount at limited service
9 locations so that the customer who is availing themselves
10 of the service at that location will bear the expense of
11 making that location a viable location to continue
12 providing that service.

13 MR. AMES: Thank you, Member Hayter. That's an
14 excellent question. Let me give you some background and
15 then I'll let the DMV weigh in.

16 Prior to the webSUB going in place and the new
17 rule being in place for the processing and handling fee,
18 when you went to a limited service deputy you paid the
19 full amount of registration plus an additional dollar, and
20 that limited service deputy kept the dollar and remitted
21 everything else to the county, which we then remitted to
22 the state.

23 And so when the new rule went in place, the
24 thought was, let's not make the citizen pay more, no
25 matter how they do it. Whether they mail it in or whether

1 they go to a grocery store or whether they go the tax
2 offices, make them have all of the same amounts which will
3 hopefully encourage them to mail it in or go to a limited
4 service deputy rather than go to the tax office to save a
5 dollar.

6 And then the other thought was that obviously
7 reducing the cost to encourage people to actually go
8 online and save the dollar, a dollar further.

9 Anybody from the department want to further
10 expand upon that? Ms. Brewster, Director Brewster.

11 MS. BREWSTER: Sure. Thank you, Presiding
12 Officer Ames. Whitney Brewster.

13 In terms of the processing and handling fee,
14 that is correct. And to Member Palacios's comment earlier
15 about the 25 cents that is retained by the county for
16 online transactions, it is actually for us to have been
17 able to allow for a dollar savings, we too, as the state,
18 it is a higher cost for us to be able to do those
19 transactions as well. But we were able to work with the
20 state print provider, Xerox, to be able to do what the
21 counties were previously doing -- they were stuffing the
22 registration envelopes with stickers, they were doing all
23 of the mail-out -- we were able to take that over to
24 reduce the amount of work done in the counties and have it
25 centralized and then mailed out.

1 And that is how we were able to reduce the cost
2 of the overall transaction and pass that savings along to
3 the customer. But that is correct that when it comes to
4 the online transactions it is 25 cents, but it is also
5 more expensive for the TxDMV because we do eat the credit
6 card fees.

7 So yes, there is the option when it comes to
8 looking at limited service deputies. We are at this point
9 trying to look at this in a way that does not add
10 additional expense to the customer during COVID recovery.

11 There are a lot of counties that may have increased
12 transactions that they are hoping to work with and they
13 are hoping to use their limited service deputies and
14 encourage those transactions.

15 So at this point we're still in COVID recovery,
16 I would say -- and I would love to hear from the counties
17 on that -- and trying to stabilize after coming through
18 COVID-19, so the idea was to first look at cost savings
19 versus looking at ways that we could just increase our
20 overall costs. So that is just in response to a couple of
21 issues that came up.

22 Presiding Officer Ames, you did talk earlier
23 about increasing advertising. I just wanted the CSAC to
24 know that we do have a new platform for registration
25 renewals and that is called Texas by Texas. That is a

1 statewide application so that any participating state
2 government agency can be part of Texas by Texas.
3 Currently TxDMV has just launched in early October; DPS
4 for driver licensing launched later on in October.

5 So now if you set up a Texas by Texas account
6 and you go online, you can do all of your government
7 transactions in one spot. And so how that leads to the
8 advertising piece, there will be a very large media
9 campaign to announce Texas by Texas and to use that system
10 for your government transactions.

11 It is a very customer-centric application,
12 mobile assistant, if you will, to be able to not have to
13 go to each state agency's online portal, for instance, to
14 go to TxDMV's and then go to DPS to do your driver
15 license. At some point when this has come to its full use
16 and fruition, you would be able to do any state agency
17 transaction.

18 So we will have a very large media push here at
19 the beginning of the next year, so just wanted to make
20 sure that I addressed that. That will be both print, it
21 will be TV, it will be social media, but it will be every
22 media option that we have available.

23 So just wanted to provide that information,
24 Presiding Officer Ames. Thank you.

25 MR. AMES: Thank you, Director Brewster.

1 Again, Presiding Officer Ames here. I'm excited
2 to hear about that. Thank you so much. We knew that that
3 was coming online but was unaware that there was going to
4 be actually media information, so that's amazing.

5 And let me just touch on one more thing that
6 you said, Ms. Brewster, and that is when you did bring the
7 online registrations in-house, it did reduce costs at the
8 county level. We no longer have to pay for envelopes and
9 postage which has been a reduction and has worked well
10 here in Dallas County. We obviously have reduced
11 commissions on those particular transactions, but there
12 have been reduced costs, not only in staff but in actual
13 inventory and things like that.

14 Member Hayter, you still have your hand up. Is
15 there anything else, Member Hayter? I apologize, Member
16 Hayter, I'm trying to say it like you say it but I don't
17 have your accent. Am I saying it correctly?

18 MR. HAYTER: Well, you certainly don't have my
19 accent and I appreciate yours too.

20 (General laughter.)

21 MR. HAYTER: The one thing that I'm thinking, I
22 just wanted to know if this was an option because if it
23 comes down to the point that H-E-B is being a huge
24 provider of this, and certainly I wouldn't want to take
25 away convenience of H-E-B or the customers that use them,

1 but if that is an issue with H-E-B being able to continue
2 to provide this service, maybe the best option that we
3 would have would be to have an increase in the fee for
4 that convenience addressed by those customers that use
5 H-E-B. Or I don't know if it could be limited to just
6 H-E-B or individual limited service providers on an
7 individual basis or if it has to be across the board. So
8 I was just wanting some clarification on that.

9 To me, I register about eight vehicles and
10 trailers a year, I exclusively do it online. In the rare
11 occasions, I think there's been maybe twice in the last
12 ten years that I've actually gone to a county tax office
13 to do it. I've never used a grocery store or anything
14 like that to do it, but both times have been very
15 expedient to do it at the local office in two different
16 counties. They've done a great job, so I think the system
17 works really well.

18 I do understand that a lot of people would find
19 it much more convenient to go to a grocery store,
20 especially if they can only do it after hours, after
21 normal business hours. So if I was going to have to do
22 that, I would certainly expect to pay an additional fee
23 for that convenience, and I think that probably most
24 people would understand that also. So that's just
25 something I was kind of interested in how that would work.

1 Thank you for your help.

2 MR. AMES: Absolutely. Thank you, Member
3 Hayter. I really appreciate your input, and I really
4 appreciate that you register all eight of your vehicles
5 online.

6 I don't know what county you live in but I know
7 your county tax assessor appreciates that efficiency also,
8 as does the DMV. So I'd love to get a list of your eight
9 vehicles. I'm only up to five. I love vehicles and I
10 have a problem with buying them, but it sounds like you
11 have a great fleet over there.

12 MR. HAYTER: Well, several of them are trailers
13 and it's easy to miss a trailer once in a while, so
14 sometimes I have to go to a tax office. And it's always
15 been very expedient to do that in at least two counties,
16 so they're very helpful and I appreciate their assistance.

17 MR. AMES: Thank you for your feedback.

18 Members, it looks like we're coming up on our
19 two-hour allotted time for this meeting. It doesn't sound
20 like we have any recommendations at this time.

21 May I propose that I will continue working
22 directly with the agency to maybe even develop a survey
23 that we could send out to the limited service deputies or
24 even to the county tax assessors to maybe come up with
25 some increased efficiencies, or even some opportunities

1 that tax assessors would agree that we have further
2 opportunities to increase efficiencies in this process, or
3 even determine if it's one of these situations where times
4 are changing and we don't really want to push limited
5 service deputies any more? Maybe we want to jump onboard
6 with Ms. Brewster's new program and just push online
7 registrations. You can do those in the middle of the
8 night with your pajamas on.

9 Would that be something that the membership
10 would support that maybe we do that and then bring back
11 those results, along with maybe representatives from H-E-B
12 to the next meeting?

13 MS. BREWSTER: Presiding Officer Ames, Whitney
14 Brewster.

15 MR. AMES: Yes, ma'am.

16 MS. BREWSTER: We are happy to explore those
17 things and bring them back at the next meeting. I think
18 it would be very helpful to have that additional
19 information from the limited service deputies. So thank
20 you.

21 MR. AMES: That would be fantastic. And I
22 think it would really help out members on this committee,
23 Director Brewster, to kind of understand a little bit
24 better where both sides are coming from and see if we can
25 do something further.

1 Member Palacios, your hand is still up. Did
2 you have a further comment, or was that up from earlier?

3 MR. PALACIOS: It is a further comment. It
4 goes back to where you were talking about the cost savings
5 on the internet. Although there is a cost savings, but
6 there also is a cost.

7 In calendar year '20, Bexar County went down
8 about \$84,000 for 338,000 online registrations and that's
9 probably just not enough money for all the work that we
10 do. I mean, there's also they are not delivered
11 sometimes, they call us and we're the ones that have to
12 deal with it.

13 MR. AMES: Member Palacios, I hear what you're
14 saying, but I don't think that's pertinent to the limited
15 service discussion.

16 MR. PALACIOS: Well, we got into internet so
17 that's why I'm bringing it up.

18 MR. AMES: Yeah, I appreciate it, and thank you
19 for bringing it up and I'm sure that the department would
20 like to visit with you directly on that offline if you'd
21 like.

22 MR. PALACIOS: All right.

23 MR. AMES: Members, any other comments at this
24 time before we close? If not, I would make the
25 recommendation, while y'all are thinking about it, that

1 maybe I and our vice presiding officer vice chair, Member
2 Hoyt, maybe work with the DMV to develop a survey that we
3 can send to either and/or -- tax assessors and/or limited
4 service deputies to provide more information back to the
5 committee. In addition, I would recommend that we have
6 another meeting after Thanksgiving, before the Christmas
7 holidays to discuss further after we've had time to kind
8 of think about this more, and maybe even talk to other
9 people in our community about their use of limited service
10 deputies to see if this is an issue out there in the
11 community or if we maybe have more research.

12 Would there be any objection to that?

13 (No response.)

14 MR. AMES: Director Brewster, any objection on
15 your part to that?

16 MS. BREWSTER: Presiding Officer Ames, Whitney
17 Brewster.

18 The agency is happy to work with you and the
19 vice chair on getting additional information, happy to do
20 that and look forward to working on that with you.

21 Just one comment, I did want to just make
22 mention that we have been contacted by multiple counties
23 regarding concerns and so we wanted to make sure that we
24 brought this forward to this committee. And I just wanted
25 to make sure that the committee was aware that this was

1 something that amongst the tax assessor-collectors there
2 was some concern, and so we wanted to make sure that we
3 brought this forward.

4 We're happy to look at other ways of getting
5 additional information from the limited service deputies
6 as well as the counties on these issues and bring them
7 back to the committee.

8 MR. AMES: Fantastic. Thank you, Director
9 Brewster.

10 This is Presiding Officer Ames. Hearing no
11 objection from any of the members on the committee and
12 hearing none from the DMV, I think that's what we'll
13 proceed forward.

14 Mr. Richards, if you would have Ms. Harris look
15 at some dates after Thanksgiving but before Christmas that
16 we could maybe get on the books. In the meantime, we'll
17 work with the agency to do something forward.

18 I do appreciate the presentations today by
19 Director Roland Luna and his team, excellent as always.
20 And we'll work with you, Mr. Luna, to provide some
21 additional information that will help the committee make
22 some decisions moving forward.

23 MR. RICHARDS: Officer Ames?

24 MR. AMES: Yes, sir.

25 MR. RICHARDS: David Richards, OGC, for the

1 record.

2 You do have another item before we adjourn if
3 you'd like to call it procedurally, public comment.

4 MR. AMES: Oh, absolutely.

5 So item number 3, public comment. Mr.
6 Richards, is there any public comment?

7 MR. RICHARDS: For the record, David Richards,
8 OGC.

9 I am told there are no public comments at this
10 time so you can move on to the next agenda item.

11 MR. AMES: Fantastic. Thank you.

12 Hearing no public comments, we will now move on
13 to agenda item number 4, which I know everybody is looking
14 forward to. We did a great job, committee, we started
15 about five minutes late and ending about five minutes
16 late.

17 So item number 4 is adjournment. Do I have a
18 motion to adjourn?

19 MR. CAVENDER: I would move to adjourn. Member
20 Cavender.

21 MR. AMES: Thank you, Member Cavender.

22 Do we have a second?

23 MR. HAYTER: Second. Russell Hayter.

24 MR. AMES: Thank you, Member Hayter.

25 I'll call for a vote just for the sake of it,

1 but I bet we all agree to adjourn. Since we're on a
2 conference call, I'll just call for opposition. Anybody
3 opposing an adjournment at this time?

4 (No response.)

5 MR. AMES: All right. If not, we stand
6 adjourned.

7 Thank you all for your time, and have a great
8 afternoon and have a fantastic Thanksgiving and holiday
9 season. Everybody be safe in your travels.

10 (Whereupon, at 10:05 a.m., the meeting was
11 adjourned.)

C E R T I F I C A T E

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2
3 MEETING OF: TxDMV Customer Service Advisory
4 Committee
5 LOCATION: via Webex
6 DATE: November 17, 2021

7 I do hereby certify that the foregoing pages,
8 numbers 1 through 93, inclusive, are the true, accurate,
9 and complete transcript prepared from the verbal recording
10 made by electronic recording by Nancy H. King before the
11 Texas Department of Motor Vehicles.

12 DATE: November 30, 2021
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17

18 /a/ Nancy H. King
19 (Transcriber)
20

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