

TEXAS DEPARTMENT OF MOTOR VEHICLES

MOTOR VEHICLE CRIME PREVENTION AUTHORITY

SENATE BILL 224 ADVISORY COMMITTEE MEETING

Texas Department of Motor Vehicles  
4000 Jackson Avenue  
Building 1  
Lone Star Room  
Austin, Texas 78731

2:39 p.m.  
Wednesday,  
January 22, 2025

COMMITTEE MEMBERS:

Sharon Jones, Chair  
Robert Carson  
Laird Doran  
Daryn Edwards  
F. Todd Foreman  
Josh Martin  
Ricardo Porras  
Stewart Prentice (absent)  
Jaime Rodriguez  
Sheri Steigelman  
Tchad Taormina  
JR Willis

STAFF:

William Diggs, MVCPA Director  
David Richards, MVCPA General Counsel

*ON THE RECORD REPORTING*  
*(512) 450-0342*

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CLOSED SESSION	
12. The Committee may enter into closed session under one or more of the provisions of the Texas Open Meetings Act, Government Code,	none

Chapter 551, including but not limited to:  
Section 551.071  
Section 551.076  
Section 551.089

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P R O C E E D I N G S

MS. JONES: Good afternoon. My name is Sharon Jones, and I am pleased to open the first meeting of the Senate Bill 224 Advisory Committee of the Board of the Motor Vehicle Crime Prevention Authority.

It is 2:39 p.m., and I am now calling the advisory committee meeting for January 22, 2025, to order.

I want to note for the record that the public notice of this meeting, containing all items on the agenda, was filed with the Office of Secretary of State on December 30, 2024.

Before we begin today's meeting, please place all cell phones and other communication devices in silent mode. And please, as a courtesy to others, do not engage in side conversations or other activities in the meeting room.

I want to welcome those who are with us for today's advisory committee meeting.

If you wish to address the committee or speak on an agenda item during today's meeting, please complete a speaker's sheet at the registration table. Please identify the specific item you are interested in commenting on, your name and address, and whether you are representing someone or representing yourself. If your comment does not pertain to a specific agenda item, we

1 will take your comment during the general public comment  
2 period of the meeting.

3 In accordance with the department's  
4 administrative rule, comments to the advisory committee  
5 will be limited to three minutes. To assist each speaker,  
6 a staff member will keep time.

7 When addressing the advisory committee, please  
8 state your name and affiliation for the record.

9 There are a few things that will assist in  
10 making the meeting run smoothly and assist the MVCPA in  
11 securing an accurate record: please identify yourself  
12 before speaking; speak clearly and slowly; do not speak  
13 over others; and please ask the chair for permission to  
14 speak and be sure to get recognized before speaking.

15 Before we begin today, I'd like to remind all  
16 presenters and those in attendance of the rules of conduct  
17 at our advisory committee meetings. The advisory  
18 committee chair has the authority to supervise the conduct  
19 of meetings. This includes the authority to determine  
20 when a speaker is being disruptive of the meeting or is  
21 otherwise violating the timing and the presentation rules  
22 I just discussed.

23 Members, I will now move on to agenda item  
24 number 1, and as the committee chair, I will conduct roll  
25 call. Please respond verbally when I call your name and

1 please indicate if you are present.

2 Member Carson?

3 (No response.)

4 MS. JONES: Member Doran?

5 MR. DORAN: This is Member Doran. I'm present.

6 MS. JONES: Thank you, sir.

7 MR. CARSON: Member Carson, Major Jones, I'm  
8 here.

9 MS. JONES: Yes, sir. Thank you.

10 Member Doran? Yes, sir, I see your raised  
11 hand. Thank you, sir.

12 Member Foreman?

13 MR. FOREMAN: (No audible response.)

14 MS. JONES: Thank you, sir.

15 Member Porras?

16 MR. PORRAS: Present.

17 MS. JONES: Member Prentice?

18 (No response.)

19 MS. JONES: He's probably still in England.

20 Member Josh Martin?

21 MR. MARTIN: (No audible response.)

22 MS. JONES: I see you, sir, recognize you.

23 Member Daryn Edwards?

24 MR. EDWARDS: (No audible response.)

25 MS. JONES: Member Daryn Edwards, I see you.

1 Member Taormina?

2 MR. TAORMINA: Present.

3 MS. JONES: And Member Willis?

4 MR. WILLIS: (Inaudible response.)

5 MS. JONES: We show you as present, Member  
6 Willis.

7 And let the record reflect that I, Sharon  
8 Jones, am present too. We have a quorum.

9 I now move on to agenda item number 2, comments  
10 and announcements from Senate Bill 224 Advisory Committee  
11 chair and MVCPA director.

12 MR. DIGGS: Good afternoon, everyone.

13 First, I want to appreciate everybody's  
14 patience with us as we've navigated moving the meeting a  
15 couple of times over the last couple of days, so thank you  
16 for your patience with that.

17 I did want to kind of level set here our first  
18 meeting in calendar year 2025 and kind of give a little  
19 historical background for some of those that may be tuning  
20 in on the live stream that may not know exactly why we  
21 exist, so I'm going to give a little historical  
22 background. And for those of you that have heard this  
23 before or heard it many times before, please bear with me.

24 So the MVCPA was established by the 72nd Texas  
25 Legislature in 1991. It was the Texas Automobile Theft

1 Prevention Authority, ATPA, became the first statewide  
2 effort to reduce auto theft. The 80th Legislature amended  
3 the ATPA mission in House Bill 1887 to also emphasize  
4 reducing vehicle burglaries. The resulting agency was the  
5 Texas Auto Burglary and Theft Prevention Authority, ABTPA.

6 In 2009, the ABTPA became part of the newly  
7 established Texas Department of Motor Vehicles. The name  
8 was changed to Motor Vehicle Crime Prevention Authority,  
9 MVCPA, in 2019. The MVCPA has become an integral part of  
10 an invaluable resource to Texas law enforcement. In 2023,  
11 MVCPA celebrated the 30th anniversary of the first grants  
12 issued in 1993.

13 The vision of the MVCPA is to empower local law  
14 enforcement agencies and communities to combat and prevent  
15 motor vehicle theft, motor vehicle burglary, and fraud-  
16 related motor vehicle crimes so that all Texans will be  
17 free from harm and loss caused by these types of crime.  
18 Motor vehicle crime has a real debilitating effects on  
19 people's lives. The losses of nearly \$2 billion each year  
20 is staggering.

21 In FY22, the prices of catalytic converter  
22 components increased, and the theft of catalytic  
23 converters became a priority. Criminals have become more  
24 violent, especially when attempting to steal catalytic  
25 converters. The increase in violent crimes have resulted



1 in the death of innocent victims, and in one case, the  
2 death of an MVCPA task force investigator trying to  
3 prevent the theft of a catalytic converter from his  
4 personal vehicle.

5 MVCPA funding allows local police departments  
6 and sheriff's offices to increase resources available in  
7 communities to work together in combating statewide motor  
8 vehicle crime. The MVCPA grants provide for: salaries,  
9 specialized equipment, training to combat these crimes,  
10 ways to educate their citizens on how to prevent these  
11 crimes, increased border security, and the tools necessary  
12 to prevent stolen vehicles from crossing international  
13 borders into Mexico or into other countries through  
14 seaports.

15 And, Madam Chairperson, I'll conclude my  
16 remarks there.

17 MS. JONES: Thank you, sir. Excellent remarks.

18 We will now stand for the pledges of  
19 allegiance.

20 (The pledges of allegiance - U.S. and Texas  
21 were recited.)

22 MS. JONES: We will now move on to agenda item  
23 number 3, introduction of Senate Bill 224 Advisory  
24 Committee attendees.

25 I would like to now take several minutes and

1 ask each of you to introduce yourselves to the other  
2 advisory committee attendees as I call your name. I will  
3 ask that each of you provide us with some background  
4 information on your affiliation or interest in this  
5 advisory committee.

6 Member Carson, we will start with you.

7 MR. CARSON: Yes, ma'am.

8 My name is Robert Carson. I'm a sergeant with  
9 the Houston Police Department, and I supervise the metal  
10 theft unit. Our unit has been tasked with combating  
11 catalytic converter crime.

12 We inspect the scrap yards which are, depending  
13 on where they are in the renewal process, between 88 and  
14 91 scrap yards within the City of Houston. And obviously  
15 these converters are going somewhere, so we are constantly  
16 out there inspecting those trying to find the converters.

17 Thank you, ma'am.

18 MS. JONES: Thank you, sir.

19 Member Doran.

20 MR. DORAN: Hi. Good afternoon, great to be  
21 with you.

22 My name is Laird Doran. I am an attorney  
23 that's been representing motor vehicle manufacturers,  
24 distributors and dealers, both in private practice and now  
25 as an in-house attorney, for about 24 years. My title is

1 actually senior vice president of public affairs and legal  
2 affairs for the Friedkin Group based out of Houston,  
3 Texas. I oversee our government relations operations and  
4 have been intimately involved in the two most recent  
5 catalytic converter theft bills that have passed the Texas  
6 Legislature.

7 So, honored to be with you and my fellow  
8 advisory members this afternoon. Thank you.

9 MS. JONES: You're welcome, sir. Thank you.

10 Member Foreman.

11 MR. FOREMAN: Good afternoon.

12 My name is Todd Foreman. I am the senior  
13 director of law enforcement outreach for REMA, the  
14 Recycled Materials Association.

15 We are a 1,700 member association that covers  
16 the entire United States. We have a chapter, the Gulf  
17 Coast Chapter, which is in Texas, and I represent them and  
18 helping the recyclers and law enforcement work together to  
19 help prevent the theft of catalytic converters and other  
20 metals.

21 Thank you.

22 MS. JONES: Thank you, Member Foreman.

23 Member Porras?

24 MR. PORRAS: Good afternoon.

25 Rick Porras. I am the task force commander for

1 the El Paso Police Department's Auto Theft Task Force. I  
2 currently supervise 19 officers and three civilians as  
3 part of my duties there.

4 Our unit is responsible for investigating all  
5 auto thefts and catalytic converter thefts that occur  
6 within the city and county of El Paso, and as part of  
7 those duties, we go out and do regulatory inspections,  
8 surveillance, bait ops, you know, various type of  
9 activities to try to identify some of these suspects.

10 And I've been, I guess, a member since the  
11 inception of this committee, and I'm glad to be here.

12 MS. JONES: Thank you, and glad you could make  
13 it all the way from El Paso, you and your team.

14 Member Josh Martin?

15 MR. MARTIN: Good afternoon.

16 Josh Martin, compliance and enforcement  
17 specialist with Texas Department of Public Safety,  
18 Regulatory Services Division. It's good to be with you  
19 all today. I am coming to you virtually from Houston. I  
20 do apologize for not being there in person today, but due  
21 to the weather, I had to play it safe.

22 I will be providing an update here in a bit  
23 from the perspective of the compliance and enforcement  
24 service, but as I'm sure for many of you, 2024 was a busy  
25 year for us. Looking back and reflecting on the efforts

1 made by our team towards regulating the Texas metals  
2 program, I believe these efforts have contributed to our  
3 joint effort in reducing crime and theft in relation to  
4 the MVCPA. I feel we've made some good strides this last  
5 year and we've got some good motivated people moving  
6 forward.

7 But again, it's good to be here, and I look  
8 forward to today's meeting. Thank you.

9 MS. JONES: You're welcome, sir. Thank you.

10 Our next member is literally new, today is his  
11 first day. His name is Daryn Edwards. He's the commander  
12 from the Houston Police Department and he is filling the  
13 vacancy that was left by Commander Dana Hitzman, who is  
14 now the chief to her right elsewhere, another agency.  
15 Once again, congratulations to her.

16 And Commander Edwards, please, welcome and  
17 introduce yourself.

18 MR. EDWARDS: Thank you very much, Sharon.

19 Hello, everybody. I'm Daryn Edwards, 33 years  
20 with the Houston Police Department. I was recently  
21 appointed over the auto theft division back at the  
22 beginning of November, so this side of it will be fairly  
23 new to me but law enforcement work is not. I've also  
24 worked in cyber and financial crimes and burglary and  
25 theft division before this, along with command

1 responsibilities as an assistant chief, and many patrol  
2 assignments throughout my career.

3 So I'm looking forward to assisting and being  
4 on this committee, and anything y'all need from me, please  
5 let me know.

6 I apologize, like Josh, I could not be there.  
7 At two o'clock today we went back to our regular posture  
8 from Snowmageddon, so we all get to go home. We've been  
9 living up here for a couple of days, not knowing what was  
10 going to happen, so glad this thing is over and ready to  
11 move on. Thank you.

12 MS. JONES: You're welcome, sir. I understand  
13 you're living in the hotel across the street from your  
14 office, so I'm glad you can go home at the end of your  
15 shift today.

16 And when it comes to the mission of this  
17 committee, you have two excellent employees with the City  
18 of Houston, Lieutenant Tolan and Sergeant Carson, so you  
19 are in great hands.

20 MR. EDWARDS: Yes, ma'am. Thank you very much.

21 MS. JONES: You're welcome, sir.

22 Member Taormina, please introduce yourself.

23 MR. TAORMINA: Good afternoon.

24 My name is Tchad Taormina. I'm the legislative  
25 chair for the Texas Automotive Recylcer Association. I

1 also work for LKQ Auto Parts. Many of you went on a tour  
2 last year.

3 I look forward to 2025, and we'll give a  
4 presentation here shortly explaining our industry and what  
5 we do. Thank you.

6 MS. JONES: Thank you, sir. We're definitely  
7 looking forward to your presentation.

8 This year we're going to do things a little  
9 differently. We want to hear from our partners, our  
10 private partners, and our grade, are we doing a great job,  
11 are we A-plus, A-minus? We better not be Cs or Ds, but  
12 just thank you, we look forward to your input, and then  
13 the input of others to come from your industry.

14 Member Willis, you're next. Member Willis, JR,  
15 when you can join us, just send a quick test.

16 Zach, he's saying his mic is locked.

17 MR. WARDEN: Neither is disabled. He is in  
18 twice.

19 MS. JONES: So, JR, he just left, he left one.

20 MR. WARDEN: John, I just promoted you. Try  
21 again.

22 MS. JONES: He's probably going to attempt to  
23 log back on. As soon as he logs back on, just let me  
24 know, please. Thank you, Zach.

25 Okay, he's saying he's back on. JR, can you

1 hear us?

2 No worries, we will proceed forward. When you  
3 see him and he's back on, Zach, please let me know.

4 MR. WARDEN: Will do.

5 MS. JONES: Thank you, sir.

6 In the meantime, we will move on to agenda item  
7 number 4, which is Senate Bill 224 Advisory Committee  
8 meeting brief regarding our last meeting in Laredo.

9 Last meeting, we were hosted by MVCPA  
10 chairperson and chief of the Laredo Police Department,  
11 Mike Rodriguez. His department gave us a fabulous tour,  
12 made sure that everything that we needed, we were well  
13 taken care of as far as the border and the security from  
14 the border and any details, any briefings.

15 They even made it possible for us to receive an  
16 excellent briefing from border patrol. And I was  
17 appreciative to the border patrol because the briefing,  
18 they allowed the non law enforcement sector of our  
19 committee into the meeting. So it was fantastic for them  
20 to see how the border works, the outbound operation,  
21 inbound operation from the border, and so much appreciated  
22 there with the border patrol just standing there for the  
23 little bit of time that we did -- I don't think we were  
24 there for more than 30 minutes -- and just see the amount  
25 of cars that are just going through the border



1 consistently and coming on both sides.

2 And to see the long line of vehicles coming in  
3 from Mexico into the United States, it just gives you a  
4 broader perspective and much deep appreciation to border  
5 patrol who are literally standing at the border every day,  
6 all day long, 24 hours a day. So thanks to them for  
7 protecting us and keeping us safe as much as possible.

8 Member Willis, can you hear us?

9 MR. WILLIS: Yes, ma'am. Can you hear me?

10 MS. JONES: Yes, sir.

11 MR. WILLIS: Okay, good. Sorry for the  
12 technical difficulties.

13 This is JR Willis, representing the industry.  
14 To be completely honest with everybody on here, as of  
15 today, today was actually my last day with PGM of Texas.  
16 However, I have had huge involvement in Senate Bill 224  
17 from the beginning and enjoy being on the committee and  
18 still in the industry, so as long as you'll still have me,  
19 I'd love to be a part of the committee and hopefully  
20 continue to improve the relationship between the industry  
21 and law enforcement in Texas.

22 I heard what you said to Tchad about wanting,  
23 you know, more feedback from the industry this go-round,  
24 and be more than happy when the time is right to express  
25 some of the things that we've seen and continue to grow.

1           So thanks for having me.

2           MS. JONES: You're welcome, sir. Thank you.

3           We now move on to agenda item number 5, plan of  
4 operation and discussion.

5           Mr. Diggs.

6           MR. DIGGS: Good afternoon. William Diggs  
7 again.

8           So I just wanted to again touch briefly on our  
9 partner agency coordination and then also our meeting  
10 frequency. So again, our state partner agencies for SB  
11 224 are the Texas DPS, Texas Department of Licensing and  
12 Regulation, and the Texas DMV. A couple of those agencies  
13 are here today and they will be providing some updates.

14           We meet monthly and we discuss, again, best  
15 practices, unmet needs. We share some intelligence, some  
16 things that are going on and the agencies share some of  
17 the regulatory issues that they are dealing with and what  
18 they are actively pursuing and what they are doing.  
19 Again, it's a phenomenal thing now to have faces with  
20 names and the ability to pick the phone up and actually  
21 call somebody at a level that you need to be able to get  
22 something done or just to get some assistance, or if you  
23 just have a question.

24           So we feel like the meetings are fruitful.  
25 We'll continue these meetings monthly for the foreseeable

1 future.

2 And with that, I'll close on agenda item number  
3 5, Madam Chair.

4 MS. JONES: Are there any questions for Mr.  
5 Diggs on agenda item number 5.A or 5.B?

6 (No response.)

7 MS. JONES: Hearing none, we will move to  
8 agenda item number 6, partner agency updates.

9 MR. DIGGS: Thank you. So again, I've got a  
10 couple of the agencies here today. First, I'd like to  
11 call up Texas Department of Public Safety CID Captain  
12 Shawn Hallett to offer a presentation that some of you may  
13 have heard earlier this morning during the MVCPA Board  
14 meeting.

15 Anyway, with that, I'm going to turn it over to  
16 Captain Hallett.

17 MR. HALLETT: Good afternoon.

18 So, yeah, this morning we presented to the  
19 MVCPA Board, Texas DPS is requesting an additional 1,183  
20 LPR readers. Those will go through Flock is what we're  
21 requesting. It's a total of around \$14 million. It's  
22 about \$5.7 million for the first year, and then I think  
23 \$4.5- and \$4.5-, somewhere in that neighborhood, for a  
24 total of just over \$14-.

25 If you'll look back on the boards that I have

1 back here, the board to the left with the green dots is  
2 what is currently in place in Texas with Flock that is law  
3 enforcement related. I don't believe that these are  
4 private owned, I think these are just our law enforcement  
5 cameras. So that is what we currently have. What we are  
6 looking to go to is the one in the red, so we're looking  
7 to add.

8 I know there were some questions this morning  
9 and I want to reiterate that what is on the left board is  
10 not on the right board right now. So in order to get a  
11 full picture of what it will look like, you would have to  
12 merge the two boards together to see, because the ones on  
13 the right are the 1,183 new cameras.

14 The other thing that this doesn't depict is the  
15 cameras that are owned by other agencies, our sheriff's  
16 offices, our DA's office, our local PDs. This is just  
17 what DPS is requesting only.

18 So there were some other questions about  
19 de-confliction on these cameras. If one of our counties  
20 had a camera at US Highway 183 and County Road whatever  
21 and we have that same place, Flock will actually do the  
22 de-confliction on that and make sure that we don't have  
23 cameras on top of each other, and one of those cameras  
24 will move.

25 So just kind of a couple of things. You can

1     imagine with our counties getting cameras and then us  
2     adding these, you can imagine what that will look like in  
3     total. It will be pretty impressive in terms of moving  
4     around the state. We'll be able to catch all kinds of  
5     plates, especially related to catalytic converter thefts.

6             So that's kind of where we're going with this.

7     Again, the request this morning was \$5.57 million and  
8     we're hoping that along with the Senate Bill 224, the  
9     legislation that was passed, and the work of the task  
10    forces, that this will aid in those investigations and  
11    that we can combat these catalytic converter thefts in  
12    this way as well.

13            Any questions for me?

14            (No response.)

15            MS. JONES: Thank you, Captain Hallett.

16            I just wanted to follow up with the  
17    presentation and to just let everyone know that the  
18    cameras and the placement on the highways are pending  
19    agreement with the Texas Department of Transportation and  
20    with Texas DPS, so that's very important with TxDOT being  
21    onboard in order to proceed.

22            And also, we just wanted to make it clear that  
23    these cameras are not for Texas DPS. These cameras are  
24    for law enforcement purposes throughout Texas where the  
25    main goal with these cameras is combating the catalytic

1 theft. In the meeting this morning, and also last week  
2 when we had presentations from 61 agencies who needed  
3 assistance with grant funding, it is quite clear that,  
4 yes, we know the catalytic converter thefts, they're  
5 decreasing, but it's also not necessarily being reported.

6  
7 Number one, a lot of times people come out,  
8 their catalytic is cut, they just replace it. Or what's  
9 also happening, a trend is because Senate Bill 224 has  
10 brought so much focus on catalytic converter theft, what's  
11 happening now, the trend is the vehicles are stolen and  
12 they're going into Mexico and once they get to Mexico,  
13 they're being cut in Mexico.

14 So of course, we cannot keep track of that.  
15 They're not going to send back and say, hey, this is how  
16 many we cut off from vehicles leaving Texas. So we do not  
17 have a true depiction of the grand scheme and the scope,  
18 but we do know that a lot of times they're not being  
19 reported. We heard that last week.

20 And then also, we know for a fact that cars are  
21 being stolen and they're being cut off in Mexico. And our  
22 thought process is basically the car comes with catalytic  
23 converter, so the theft is related.

24 So we just wanted to make sure that we take  
25 care of Texas law enforcement as a whole. There are some

1 cameras that are, of course, within the cities but these  
2 camera placements are on the state highways themselves,  
3 and as you can see, they're covering basically all borders  
4 of Texas.

5 So any questions for Captain Hallett? Do you  
6 have something additional?

7 MR. HALLETT: Yeah, one more thing just for  
8 everybody listening and for those here in the room. Just  
9 we want to be real clear that while DPS is asking for the  
10 funds for these cameras, these are not DPS. The data is  
11 not for DPS, it's for all law enforcement.

12 If you have a Flock log-in, you can get on and  
13 you can access these cameras. You can input plates in  
14 there to be flagged and get the results on those, or if  
15 you don't, you can go through the Fusion Center and get  
16 the information that way as well.

17 So while we're the requester of it, it is not  
18 just for us, it is for everybody. It's for every PD,  
19 every SO, every constable's office that needs the access  
20 to the information, that they can get it and enhance their  
21 investigations. So it's not a DPS thing.

22 MS. JONES: And also, the data that is being  
23 shared is law enforcement purposes only. Yes, there are  
24 some homeowners associations that they do have cameras.  
25 They only have access to their association, they do not

1 have access to law enforcement or to the whole.

2 And whatever information that they have is  
3 shared with law enforcement as needed but is not vice  
4 versa; law enforcement is not sharing information with  
5 homeowners associations. The privacy and the rules and  
6 the laws are definitely adhered to by Flock's policy. And  
7 in addition to that, there is no selling or sharing of  
8 information with those outside of law enforcement by  
9 Flock.

10 Sir?

11 MR. THOMAS: Lance Thomas, vice president of  
12 the Texas Automotive Recyclers Association.

13 So with those, I know they're also mobile  
14 capable. Is any of that money being requested a part of  
15 adding to like DPS or any other agency's fleet?

16 MR. HALLETT: No. We were just talking about  
17 this earlier. Flock does not have the ones -- are you  
18 talking about the ones that go on the patrol cars? My  
19 understanding is Flock does not have those.

20 All of these 1,183 are stationary. There may  
21 be some, and I don't know if it's part of these, that  
22 they're mobile but they're not what you think like in  
23 terms of the trailers.

24 Am I speaking out of turn here? Don't we have  
25 some around the Capitol that can be moved but they're



1 stationary?

2 MS. JONES: Correct, yes, sir.

3 MR. HALLETT: So I'm not sure that those are on  
4 here, though.

5 MS. JONES: No.

6 MR. HALLETT: Those are going to be a separate  
7 purchase.

8 MS. JONES: Correct. All of the ones on there  
9 are going to be permanent. They're stationary, they're  
10 fixed, and they're solar so they're not attached to any  
11 infrastructure that pertains to any governmental agency.  
12 They're all affixed and permanent, you can't move them.

13 Any other questions?

14 (No response.)

15 MS. JONES: Perfect. Thank you, Captain  
16 Hallett.

17 MR. CARSON: Major Jones, may I make a comment?  
18 This is Member Carson.

19 MS. JONES: Yes, sir.

20 MR. CARSON: The captain talked about how and  
21 you also talked about how we've had a reduction. We have  
22 seen a reduction, and a lot of it is because of efforts  
23 like this, without a doubt. At the last REMA, the  
24 Recycled Materials Association meeting Todd and I were at,  
25 they had talked about -- their economist came in and said

1     although there does seem like there is a reduction, they  
2     are anticipating the price of those metals to rise again  
3     and these preemptive actions are everything we need to  
4     combat it when it does come.

5             Thank you.

6             MR. HALLETT: Yes, sir. So I actually talked  
7     about that a little bit this morning. You know, at the  
8     height in 2021, the most expensive metal in there was  
9     Rhodium and it was at about \$950 a gram; today as of this  
10    morning, it was \$166 a gram.

11            So while that does have some effect on it, you  
12    are exactly right. When that metal price, that Rhodium  
13    price increases again, I think you'll expect to see  
14    catalytic converter thefts be more prominent in the eyes  
15    of a criminal because they make more money off of it. And  
16    I think having things like this in place and having all of  
17    our law enforcement community, no matter who you work for,  
18    have access to this increases our ability to deter that up  
19    front.

20            We're not chasing from behind anymore; all of a  
21    sudden we're getting out in front of it. So I think  
22    that's an important thing for the whole State of Texas,  
23    whether you're on the consumer end, the law enforcement  
24    end or the insurance end. Right? I think this is a great  
25    preemptive measure that we can take to get in front of

1 this.

2 MS. JONES: Absolutely. Thank you.

3 Any other questions or comments from the online  
4 attendees?

5 MR. WILLIS: Yes, ma'am. This is Member  
6 Willis.

7 MS. JONES: Yes, sir.

8 MR. WILLIS: I just wanted to comment on the  
9 same topics before we moved on. We've definitely seen a  
10 reduction due to the metal prices, but we've also seen a  
11 huge positive movement because of Senate Bill 224 and the  
12 efforts working with law enforcement as well.

13 Just to share a quick example, just last week  
14 we had a couple of individuals come in to our facility and  
15 wanting to sell a couple of converters. Now, we didn't  
16 have any reason to believe that they were stolen in any  
17 way, but they didn't have the proper documentation to  
18 sell. They didn't have the proof of ownership, which as  
19 we know in the current conditions, merely possession  
20 without proper documentation is a state jail felony.

21 And after explaining to them what the law was,  
22 they immediately said, oh, my gosh, I had no idea. I  
23 didn't know what the law is. You know, we've recycled  
24 these things for years, this was just some stuff off of an  
25 old car.

1           And they basically said, look, I don't even  
2     want to like put this back in my truck and drive away.  
3     Because I explained to them, I said, If you leave here --  
4     and they actually had a busted headlight on their  
5     vehicle -- I said if you leave here and you get pulled  
6     over for that busted headlight and law enforcement sees  
7     the converters in the back of your pickup and you don't  
8     have documentation of ownership, you're at a big risk.

9           And they said, hey, this isn't worth it. We  
10    didn't know it. We don't want to have anything to do with  
11    it.

12           So, you know, I didn't think that they were  
13    criminals per se, but simply the education process and the  
14    severity of Senate Bill 224 definitely has people talking  
15    and has people aware and has people at least trying to do  
16    the right thing. You know, a true criminal is going to at  
17    least think twice. They're going to maybe move on or be  
18    more cautious, which is going to in turn lower the overall  
19    numbers.

20           So I do feel like our efforts here are useful,  
21    although the metal prices are a big factor. As prices go  
22    back up in the future, I'm sure we'll see crime go up in  
23    the future. But maybe where we're being reactive to the  
24    last fight -- and that's how we got to where we're at  
25    today, but now we're being proactive for the next round

1 and this should be good for the future.

2 So I'm happy to be a part of it.

3 MS. JONES: Thank you, sir.

4 It's definitely a combination. It's a  
5 combination of being proactive and have these measures in  
6 place, and also awareness. Williams' team has a  
7 tremendous catalytic converter theft campaign that's  
8 going, and what we noticed also last week and also  
9 presented at today's board meeting is that a lot of task  
10 forces are just being tremendously proactive in this fight  
11 to combat.

12 So I believe we're standing ready as law  
13 enforcement as a whole in Texas. And whatever it takes,  
14 whatever we need to do, we're here to protect Texas and  
15 its citizens and all visitors.

16 Member Foreman, do you have anything to add?

17 MR. FOREMAN: Yes, thank you.

18 I just want to say it's also the partnerships  
19 between, as Mr. Willis was saying, the partnerships  
20 between law enforcement and recyclers. As I travel across  
21 the country, I work with both through my experience in  
22 building those relationships, so we can stop the theft and  
23 combat the theft. So the recyclers know who to contact if  
24 they have an issue, if they see something.

25 So the combination of everybody working

1 together to stop this is an important part of it. And  
2 this group here is a major part of it because you have  
3 everybody at the table. We have everybody at the table.

4 MS. JONES: Absolutely, I agree with you.

5 Mr. Diggs, you have anything?

6 MR. DIGGS: I'm just going add one thing to  
7 what Captain Hallett and his team has been working on.  
8 You know, the bottom line is the Mexican drug cartels are  
9 now foreign terrorist organizations, and we know that. We  
10 know that they have been stealing vehicles here in the  
11 State of Texas and crossing them over into Mexico and  
12 using them to do their illegal deeds that they do to bring  
13 all these horrible things back into the State of Texas.

14 This is going to go a long way. If you look at  
15 that map that Captain Hallett and the Texas DPS has put  
16 together and all those red dots, well, I can actually see  
17 the outline of Texas. I can look at that and then I look  
18 everywhere in between.

19 I'm going to tell you that they're going to  
20 have a hard time navigating the State of Texas when law  
21 enforcement is watching for them. And this is going to go  
22 a long way, not just to reduce and prevent catalytic  
23 converter theft, it's going to go a long ways to keep the  
24 State of Texas and all the citizens and this country safe.

25 And so my hat's off to you for all the work

1 that you've done and the team over there at the Texas DPS  
2 has done. So thank you for that.

3 MS. JONES: Captain Hallett, appreciate you.

4 Any other questions or comments online or in  
5 person?

6 (No response.)

7 MS. JONES: Captain Hallett, thank you.

8 MR. DIGGS: Thank you.

9 Now I would like to call up another one of our  
10 state partner agencies that's doing a lot of good work and  
11 using some of the funds that we've been able to provide  
12 through the Texas Legislature's support of SB 224. I'd  
13 like to call up now Ford Strawn, with the Texas Department  
14 of Licensing and Regulation.

15 MR. STRAWN: Good afternoon, Chair and members.  
16 Michael Strawn. I'm a manager for Texas Department of  
17 Licensing and Regulation.

18 I'm going to kind of steal a little bit of Mr.  
19 Diggs's introduction and give a little background of TDLR  
20 for the new people that are on the call.

21 Texas Department of Licensing and Regulation,  
22 we regulate 38 various programs, one of which is used auto  
23 parts recyclers which is what has brought us into the fold  
24 for Senate Bill 224 and our partnership with DMV, DPS and  
25 MVCPA. We're really proud of the work that we're involved

1 in and every aspect that we can help improve auto parts  
2 theft across the state.

3 Right now, TDLR, we license almost one million  
4 different licensees. Out of that, we have a small  
5 contingent of 636 used auto parts recyclers across the  
6 state. Those auto parts recyclers, as we heard today from  
7 other members on the call, are integral into our ability  
8 to stop and identify and even educate, as we heard the  
9 member talking a while ago, getting this information out  
10 to people about catalytic converter theft, how to document  
11 these things, everything else in between.

12 So we're really excited about that and we have  
13 a small team. We have 590 authorized employees at TDLR  
14 that are all dedicated to this process in some form or  
15 fashion.

16 In implementing Senate Bill 224, recently on  
17 December 21 of 2024, we published our proposed rules into  
18 the *Texas Register*. As of yesterday, that comment period  
19 closed for those rules with no public comments received.  
20 So moving forward, what we'll be looking for is the  
21 adoption of our latest rule package that helps us define  
22 some of the needed metrics and changes to implement Senate  
23 Bill 224 into our administrative rules for this program.  
24 Our next advisory board will be March 6 and that's when  
25 the advisory board will hear those rules to make that



1 recommendation to accept and adopt those.

2           Some of the work that we've been doing for this  
3 program and this initiative is increasing the amount of  
4 inspections that TDLR is performing and looking for these  
5 stolen catalytic converters. Since then, we've increased  
6 the total number of hours since July of last year by 225  
7 man hours into these inspections, which was 103 total  
8 increased inspections that we've seen. That sounds maybe  
9 not like a huge number, but when you look at the size of  
10 Texas, the range of where these auto parts recyclers are  
11 across the state, our employees traveled over 4,000 miles  
12 to do these inspections, this increased number, so it's  
13 been huge.

14           We've had a total of 581 catalytic converters  
15 we've looked at, and that's a drop in the bucket as we  
16 estimate there's over 55,000-plus with our used auto parts  
17 recyclers across the state. As we continue into this  
18 initiative, we look to continue to improve on all of those  
19 things, not only in the numbers that we're providing but  
20 also how effective we are at identifying catalytic  
21 converter theft.

22           We would like to, once again, extend to you all  
23 that we're a resource and we're happy to assist you all,  
24 the industry or our law enforcement partners as best we  
25 can. It sounds like there may be a need for additional

1 education, information releases out there, so my division  
2 and TDLR will reach out to industry members. They're  
3 always welcome to contact us as well with any ideas or  
4 information they may have.

5 We do want to make sure that the scenarios that  
6 were identified earlier with individuals who are trying to  
7 do right are not wrongfully caught and seeming to have  
8 stole illegal catalytic converters. But we also want to  
9 make sure that it's airtight and we're not having that  
10 theft out there.

11 Having said that, that concludes my  
12 information. I'm open for any questions y'all may have.

13 MS. JONES: Sir, you mentioned rules. What are  
14 those rules?

15 MR. STRAWN: I can go through. I don't have  
16 them all in front of me right now, but it was information  
17 regarding the records that the used auto parts recyclers  
18 must maintain of the catalytic converter sales and their  
19 ability and necessity to furnish those records to the  
20 department upon request. It clarified the length of time  
21 that the used auto parts recyclers also must maintain  
22 those records, and then it had various cleanup language  
23 from this program as well.

24 There was some information about removing  
25 registration stickers from vehicles, and other clarifying

1 rules to the existing program. I don't have the full list  
2 of changes, but I'm happy to provide them to you all if  
3 necessary.

4 MS. JONES: When you guys drafted the rules,  
5 did you have input from industry partners?

6 MR. STRAWN: TDLR functions -- we have an  
7 advisory board within the industry. That's what I  
8 mentioned, we'd be meeting with again on March 6. So we  
9 do regularly take input across the industry, whether  
10 that's our partners at TARA or individual auto parts  
11 recyclers having their voices heard, subject matter  
12 experts, law enforcement, other industry partners.

13 We do take all of those things into when we're  
14 drafting our rules. And we hope to make everybody as  
15 happy as possible, but also develop a good rule and  
16 regulation set for the industry.

17 MS. JONES: Absolutely.

18 I saw Member Taormina nodded. Do you have  
19 anything to add?

20 MR. TAORMINA: I do. Tchad Taormina, Texas  
21 Auto Recyclers.

22 To answer your question, Sharon, we've had a  
23 strong relationship with TDLR. The things they have done  
24 for us and to go along again with what you asked, we had a  
25 good workshop. We had an advisory committee right after

1 we had the workshop. Our committee panel was on the  
2 workshop as well as myself.

3 But the eagerness -- and we talk about all  
4 these partnerships and us coming together as we learn and  
5 evolve with the history of not just catalytic converters  
6 but what TDLR has done with their umbrella they have. And  
7 their eagerness to really learn our industry is just  
8 tremendous, because there's so much that they have. But  
9 when it comes to our business model, there's a lot to  
10 learn and a lot to know, and it's as simple as an  
11 inspector coming out and knowing what to look for.

12 So I applaud them and it's been a great  
13 partnership, as well as all the others we have here.

14 MS. JONES: You look ready to jump in. Jump  
15 in, come on. He's like put me in, coach, put me in.

16 MR. THOMAS: Lance Thomas, vice president of  
17 the Texas Automotive Recycler Association. I'm also on  
18 the advisory board and I was a part of that work group.  
19 And it was a great collaboration, and the whole deal was  
20 to not add any like extra constraints on automotive  
21 recyclers, you know, because obviously you're going to  
22 have bad guys in every group. Anybody could hire an  
23 employee and get a bad egg in the group.

24 But it all comes down to the bulk of automotive  
25 recyclers want to do the right thing. They want to

1     operate, they want to move our industry forward. And so  
2     being a part of that collaboration definitely helps us do  
3     what we feel was right to support the bill and also help  
4     focus on other areas where we really think more focus  
5     could be placed to actually capture some of that theft and  
6     stuff that's going on.

7             MS. JONES: Excellent. Great to hear.

8             Any online comments?

9             (No response.)

10            MS. JONES: Mr. Strawn, thank you very much.  
11     I'm pleased with the collaboration and I like the fact  
12     that we've had so many discussions about not hindering the  
13     process but being able to be a great partner for the  
14     industry. So excellent presentation, great to hear how  
15     far we've come.

16            MR. STRAWN: Thank you, ma'am. I appreciate  
17     y'all's time.

18            MS. JONES: Court Reporter, it is 3:33, and  
19     we're going to take a ten-minute break.

20            (Whereupon, a brief recess was taken.)

21            MS. JONES: It's 3:45 and we will now resume.

22            Mr. Diggs.

23            MR. DIGGS: William Diggs, MVCPA director.

24            So, Major Jones, now I would like to call up --  
25     Seguin was unable to be here today and provide an update,

1 so I would like to call up now agenda item number 8,  
2 Potter County Sheriff's Office to just provide an  
3 operational update. And Commander Patrick McBroom will be  
4 providing the update today for us.

5 MR. McBROOM: Good afternoon. I'm Commander  
6 Patrick McBroom with the Panhandle Auto Burglary and Theft  
7 Unit out of Potter County, Texas.

8 Just a brief little history about ourselves.  
9 We're pretty small. There's only four of us, then we have  
10 a part-timer with DPS that works 50 percent of the time  
11 with us.

12 We cover the top 24 counties in the Texas  
13 Panhandle so we have this huge area of coverage just for  
14 the four of us. We run 100 miles an hour all the time.  
15 My guys are currently out on a search warrant now, so get  
16 to miss me out in the cold today, so they're out in the  
17 cold today working.

18 One of the good things about our DPS part-time  
19 guy is he came from regulation before he went to civilian,  
20 so his insight into this is very good for us. His  
21 knowledge is very useful for that.

22 Next slide. We sat down when we started doing  
23 this and we identified these problems in our area. Of  
24 course, street level thefts, we've had ten thefts in '24  
25 which is down from, I think, 234 from '23. One of the

1 things we did was started looking at the MREs and auto  
2 recyclers on their licensing and we discovered several  
3 MREs that didn't have licenses that were operating in our  
4 area, as well as auto recyclers.

5 We use the DPS for backgrounds on that, the  
6 regulation side. We use them for background before we go  
7 site visit these just to make sure they're -- if they have  
8 licensing or no licensing. That's one of the things we  
9 use DPS for as far as the regulation side.

10 I don't believe we have a TDLR rep in our area;  
11 I think Lubbock is the closest one. I don't know if he  
12 can help me with that or not.

13 One of our biggest things is traveling buyers.  
14 We have people coming through, going to these small auto  
15 recyclers and buying catalytic converters and they're  
16 usually from out of state, unlicensed. And I'll get into  
17 a case that we worked recently on that towards the end of  
18 the slides.

19 Next slide. So some of the tools we've  
20 incorporated with using the SB 224 money is LPR cameras,  
21 and I'll talk about that here in a little bit some more.  
22 We purchased a drone, we use the drone for surveillance  
23 and intelligence gathering.

24 We purchased an LPR sign trailer. It's an LPR  
25 speed trailer and sign trailer all incorporated into one,

1 so we can put crime prevention messages on that trailer  
2 and stick it out at public events or on the side of the  
3 road. We have marking events, and one of the big ones  
4 that we really focused on was communication with other  
5 agencies. Since we have such a huge coverage area, we  
6 have to rely on those other agencies to assist us in a lot  
7 of these cases.

8 We went out and spoke to all the MRE operators  
9 just so they know who we are. If there's any issues with  
10 them, we gave them our contact information and they can  
11 call us. And this comes into play in this case that I'll  
12 talk about later.

13 We've talked to auto recyclers, anybody that's  
14 in the industry we went and talked to them, gave them  
15 contact information. One, we can identify suspects that  
16 way if people are coming out bringing catalytic converters  
17 to them.

18 Next slide, please. So like DPS, we took this  
19 ambitious project on to try to cover the whole Texas  
20 Panhandle with LPRs. So we signed a contract with Flock  
21 for 106 LPRs to be placed across the Texas Panhandle.  
22 Looking at the captain's map, we overlay a couple of  
23 cameras but we hit those really vacant areas more than  
24 what DPS does.

25 We're also waiting on TxDOT to approve our



1 permits. I think we have 12 cameras up now that are off  
2 TxDOT property.

3 The very first day we put our first camera up,  
4 U.S. Marshals out of Nebraska ran an LPR, got a hit on  
5 fugitive out of Kansas and went to arrest him in Pampa, of  
6 all places, on the very first camera the very first day.  
7 So you can see how quickly that goes to work. It is  
8 absolutely a game-changer.

9 So what we did is once we figured out what we  
10 wanted to do with the LPR cameras, we went to all the  
11 agencies that we cover and asked them if they would like  
12 to participate and assist with covering that cash match.  
13 We got 15 agencies that agreed to do that, so we went from  
14 the auto theft task force having two participating  
15 agencies to having 15. So big extension, lots of support,  
16 it's awesome.

17 With talking with the Flock representatives, I  
18 was informed from between Midland, Lubbock and us, there  
19 will be almost 600 cameras up in West Texas in the  
20 Panhandle, so that's awesome. Lots of coverage for the  
21 LPR cameras.

22 Next slide, please. So here is the photo or  
23 overlay of the Texas Panhandle and this is where our  
24 cameras will go up. So it's kind of hard to see where the  
25 borders are, but this hits more of the central area

1       instead of the border state areas that the DPS cameras  
2       will cover, so I think we kind of fill in the gaps there  
3       from the DPS cameras.

4               There's very few that overlay. And with them  
5       covering some of those overlay areas, that gives us maybe  
6       an opportunity to put those cameras somewhere else and  
7       have better coverage than what we originally planned to,  
8       so that's going to work out awesome.

9               Next slide, please. So here's some drone  
10       footage that we used. We did a holiday patrol looking for  
11       auto crimes over the holiday season. We worked with DPS  
12       CID for a solid week and we were working nights, and  
13       what -- we'd just park our drone over the retail district  
14       and just watch for any suspicious activity.

15               So the drone shot on the left is sort of the  
16       drone shot, then the one on the right is using an IR  
17       camera. As you can see, it's really good. From this  
18       height you can actually zoom in and get the license plate  
19       numbers off of the vehicles.

20               I think DPS CID ended up arresting several  
21       people on retail theft coming out of the stores. It was a  
22       successful operation, along with Amarillo Police  
23       Department, Potter County Sheriff's Office, Randall County  
24       Sheriff's Office and us altogether, so it was a good  
25       operation.

1           Next slide, please. So here's some more drone  
2 shots of an unlicensed auto recycler so we flew the drone  
3 over. We've had issues with this recycler taking stolen  
4 cars and crushing them. So if we get some legislation  
5 along with the crushing aspect, that would be awesome. It  
6 would give us more teeth when it comes to this.

7           We do know all of our crushers in the area and  
8 we work really good with them. They tell us when they're  
9 going in. Of course, we can't go in with them but they do  
10 let us know when they're going into these areas and  
11 crushing.

12           Next slide, please. Here's a picture of our  
13 sign trailer. It has like a four by seven digital sign on  
14 it that we can put anything on it we want to. As you can  
15 see, Protect Your Catalytic Converter.

16           We can actually set that up in a parking lot or  
17 on the side of the road and it will flash that: Protect  
18 Your Catalytic Converter, or Lock Your Car, Take Your  
19 Keys. It's whatever you really want, put logos on there.  
20       Of course, it's a speed trailer and LPR trailer as well,  
21 and we can deploy this in a matter of minutes anywhere  
22 basically.

23           We do take this trailer to public events. We  
24 had out our swag and have the signage trailer, and it runs  
25 off solar so it's all battery powered so it's really good.

1           Next slide, please. Marking events -- here's  
2           our flyer for a marking event we're doing next week. It's  
3           our first one of the year. We've had lots of people call  
4           about it.

5           We did have a new FlyMarker, we just got that  
6           in. And the other picture is us stamping a VIN number on  
7           a trailer. Awesome piece of equipment; if you don't have  
8           one in your task force, you need to get one.

9           It's awesome. It stamps the VIN in probably  
10          ten seconds, so it's awesome.

11          Next slide, please. Just talking about  
12          communication. So last month I got a phone call from one  
13          of our auto recyclers who said they had a traveling buyer  
14          come by and try to buy his catalytic converters from him.

15          Gave us a vehicle description, took pictures of it, sent  
16          it to me.

17          So the auto recycler is in between Amarillo and  
18          the Oklahoma state line. So the buyer had told them that  
19          they were going into Amarillo to buy some more catalytic  
20          converters. Well, he watched him when he left and he went  
21          towards Oklahoma.

22          So we were like an hour away from them, so all  
23          of our investigators jumped in their vehicles, took off.  
24          We reached out to agencies on I-40 that we work with all  
25          the time and they were able to find the van and stop it.

1     So this is an unlicensed buyer out of Florida, had Iowa  
2     tags on the vehicle. We recovered 306 catalytic  
3     converters out of the vehicle that he had been going  
4     through several states purchasing these and was headed  
5     back to Iowa with these.

6             He was armed, had a handgun on his person. So  
7     we arrested him for 300 counts of third degree felony  
8     because it's enhanceable due to the firearm. Talk to the  
9     DA's office, more than happy to indict him on all 300  
10    counts.

11            The case is still active, so I can't really  
12    give you much details about it. We're in the process of  
13    Chapter 59 seizing all of it, vehicle, catalytic  
14    converters, all that. So it was a really good lick on our  
15    side and for everybody really.

16            Next slide, please. Any questions?

17            MR. DIGGS: So, Commander McBroom, excellent  
18    update. I had a couple of questions and you might have  
19    kind of answered it there at the end. You had mentioned  
20    in the first slide or two that you were having marking  
21    events. So I was curious, are those VIN etchings in  
22    catalytic converters, or it sounds like they might be VIN  
23    etchings in trailers and other things.

24            MR. McBROOM: So we do trailer etchings during  
25    68-A inspections, but this is strictly a catalytic

1 converter event.

2 MR. DIGGS: So you do do VIN etchings for  
3 catalytic converters.

4 MR. McBROOM: Yes, we do, absolutely.

5 MR. DIGGS: Thank you. Fantastic. And then I  
6 had one other question. You had mentioned that your field  
7 TDLR rep -- I think we've still got Ford back here -- you  
8 had mentioned that your guy is out of, I guess, Lubbock, a  
9 couple of hours away down I-27.

10 MR. McBROOM: Yes.

11 MR. DIGGS: Do you feel like that provides you  
12 the adequate field coverage a couple of hours away? Do  
13 you think there's a need to have someone there in  
14 Amarillo, a little further north?

15 MR. McBROOM: I believe there is. We would  
16 love to have somebody in Amarillo, absolutely.

17 MR. DIGGS: Well, that's what these meetings  
18 are all about, the collaboration with the partner  
19 agencies. And we'll put that bug in Ford's ear and he can  
20 take that back to headquarters. I did hear that and so I  
21 appreciate you bringing that to light, and I know where  
22 you're at.

23 I know you're way up there in the cold part of  
24 Texas. It's cold here today, but anyway.

25 Hey, great work. That's dang good police work

1       on those 306 catalytic converters, and that's the kind of  
2 work that I feel like it's possible that if this program  
3 didn't exist and if your program didn't exist, those 306  
4 catalytic converters might have navigated right on out of  
5 the state and this guy, this crook wouldn't be facing 300  
6 felonies, and the fact that he had a firearm. Right? So  
7 we go back to this, you know, it's not a victimless crime  
8 and it can damn sure be a violent crime.

9               MR. McBROOM: Absolutely.

10              MR. DIGGS: You know, this guy is carrying a  
11 weapon. And so, again, thank you for all the work you  
12 guys are doing up there in the Panhandle and we appreciate  
13 you. And I'll close with that.

14              MS. JONES: Commander McBroom, definitely not  
15 divulging information from the investigation, but can you  
16 explain the travel pattern from Florida to where did he  
17 meet you in the Panhandle? How did that work out for us,  
18 us as in law enforcement.

19              MR. McBROOM: Apparently he had went into  
20 southern New Mexico and had bought some and it was coming  
21 back across I-40 on his way back -- because I-40 runs all  
22 the way across the nation, so headed back to Florida. He  
23 was stopping at these little mom-and-pop shops on the way.

24              MS. JONES: So obviously he had some kind of  
25 travel plan, where to go and who to see.

1                   MR. McBROOM: He had all of his log on his  
2 phone where he had taken pictures of all the catalytic  
3 converters he had bought and where he had bought them  
4 from, so we were able to get that off his phone.

5                   MS. JONES: Thank you for his detailed notes.  
6 Did you thank him?

7                   (General laughter.)

8                   MR. McBROOM: So one other thing I'll mention,  
9 I don't know if anyone mentioned this about Flock cameras.  
10 So once I get my cameras up, say that Doug at South  
11 Plains has his up, I can ask for permission to see his  
12 data. So that data can be shared through all law  
13 enforcement just by merely clicking on set to share.

14                   So we can look at everybody's LPRs and they can  
15 be shared amongst everybody and not just in-house. So I  
16 think it's something that was missed today on that  
17 information.

18                   MS. JONES: Absolutely, we're sharing them.  
19 The whole purpose, again, is not a DPS project. The only  
20 reason -- the only reason that we're doing this and  
21 proposing this is for all law enforcement and to share  
22 that information.

23                   MR. McBROOM: It's actually a game-changer for  
24 sure.

25                   MS. JONES: Perfect.



1           Online, do you guys have any questions for the  
2 commander, comments?

3           (No response.)

4           MS. JONES: Hearing none, thank you, sir.

5           MR. DIGGS: So I'd like to now turn to  
6 agenda --

7           MR. MARTIN: Madam Chair?

8           MS. JONES: Yes, sir.

9           MR. MARTIN: This is Josh Martin, compliance  
10 enforcement specialist with DPS Regulatory Services  
11 Division.

12           I don't know if it's on the agenda or if time  
13 permits, but if allowed, I do have a quick update on  
14 behalf of compliance and enforcement service and a few  
15 slides to share, if permissible.

16           MS. JONES: We'll work it out, no worries.

17           MR. MARTIN: Thank you.

18           MS. JONES: Not right now, though, because we  
19 can't work it out right now. But we'll work you in.  
20 We'll work it out.

21           MR. MARTIN: Okay. Thank you.

22           MS. JONES: Yes, sir.

23           MR. DIGGS: So I'd now like to go to agenda  
24 item number 9, El Paso Police Department operational  
25 update. Sergeant Joshua Longenbaugh -- did I get that

1 right and forgive me if I didn't -- and Officer Vincent  
2 Villalobos.

3 MR. VILLALOBOS: Villalobos.

4 MS. JONES: Thank you, sir.

5 MR. VILLALOBOS: Madam Chair and members, thank  
6 you for having us here. I'm Officer Villalobos from El  
7 Paso Police Department's Auto Theft Task Force. We're  
8 going to present an update on behalf of our task force and  
9 our task force commander.

10 Next slide, please. El Paso Police  
11 Department's Auto Theft Task Force saw an increase in  
12 catalytic converter thefts between FY '22 and '23, just  
13 like the rest of the state and nationwide. During this  
14 time we took proactive measures in an attempt to slow the  
15 increase and targeting offenders in the El Paso area.

16 The way that we took the proactive approach on  
17 this is because our auto theft task force is comprised of  
18 three teams. We have two field teams that do proactive  
19 measures such as surveillance and we make the arrests on  
20 behalf of the auto theft task force, and we have one team  
21 dedicated to detectives and investigating these cases and  
22 giving us information to go actually after these prolific  
23 catalytic theft offenders.

24 Next slide, please. SB 224 was passed in 2023,  
25 which gave us the tools and the backing that we actually

1 really needed to combat these catalytic converter thefts.

2 Our task force was funded last year during October 28 and  
3 we were able to start our operations as far as the  
4 catalytic converter thefts and being able to combat these  
5 offenders during this time.

6 Next slide. So earlier during the MVCPA  
7 meeting, Chairman Rodriguez had mentioned some of the  
8 catalytic converter thefts and the numbers that we had  
9 been seeing. Not up there is '21. FY '21 we saw 324  
10 catalytic converter thefts in the El Paso County and city  
11 area.

12 You can see that dramatic increase to 463  
13 thefts for the fiscal year, and that's more than one per  
14 day in El Paso County that we were seeing. And then  
15 during the '23 to '24 you see the dramatic decrease of  
16 184, which we attribute that 61 percent decrease to the  
17 passing of SB 224. This helped us tremendously in  
18 combating the catalytic converter thefts and being able to  
19 actually enforce some of these people with the catalytic  
20 converter thefts and actually having the property with  
21 them.

22 Next slide, please.

23 MR. LONGENBAUGH: Hello. Sergeant Longenbaugh  
24 here. Hello, everybody.

25 Just wanted to touch on the money that we got

1 through the SB 224 FY '24 second solicitation. We were  
2 awarded just over \$1.3 million, and with that we received  
3 \$400,000 for overtime operations where we're able to just  
4 strictly focus on targeting catalytic converter thefts  
5 during that time, and inspections, things of that nature.

6 So far as of this meeting, we've worked seven  
7 of those operations. Those operations usually range from  
8 five to six hours in length, and it's mandatory for our  
9 whole unit to work those.

10 Aside from those overtime operations, we also  
11 asked for funds to purchase three bait vehicles, focusing  
12 on some of the more commonly targeted vehicles, which is  
13 the Toyota Corolla, Toyota Tundra, and a Honda CRV. We're  
14 currently in the requisition process for those vehicles.  
15 We also requested two crime prevention Ford F-250s which  
16 we're going to have wrapped with our logos which are on  
17 some later slides. We should be getting those trucks  
18 delivered hopefully by the end of February.

19 Also to mention, we were going through the  
20 requisition process for the 150 Flock LPR cameras that,  
21 thanks to DPS, we can now kind of focus those more in the  
22 city. We have several roads, major roadways there in the  
23 city along the gateways on the I-10 frontage roads. We  
24 should be moving forward pretty well with that. I've been  
25 in talks with our grants people that manage our budget and

1 then with Flock themselves, so we should be moving forward  
2 on that and hopefully getting those cameras here hopefully  
3 by next month.

4 We're also getting two of the FlyMark -- you  
5 had mentioned it on the other slides from the Panhandle  
6 Task force -- we're acquiring two of those and we're going  
7 to be using those during our 68-A inspections that we do.

8 We currently host two a month free of charge to the  
9 community at our impound facility. As well as during our  
10 VIN etching events that we do on the window glass and all  
11 that, we'll also take those out there and etch people's  
12 catalytic converters for them.

13 We also have two trailers that are crime  
14 prevention trailers that we deploy to these events.  
15 They're free to the public and we're getting those wrapped  
16 as well.

17 Next slide, please.

18 MR. VILLALOBOS: So the auto task force with  
19 the bait operations and the reason these vehicles are  
20 specific as far as the Corolla, the CRV, and the Tundra,  
21 we found that as far as El Paso County, the most targeted  
22 vehicles are those three vehicles for catalytic  
23 converters. So that's one of the reasons why we're going  
24 to start conducting the bait operations. We currently  
25 conduct bait operations, and through this grant we've

1 completed three bait operations as far as vehicles for  
2 catalytic converters. We have a couple of catalytic  
3 converters, as well as a bait vehicle already that we've  
4 been deploying.

5 Right now, the VIN etching process that we have  
6 is currently an acid method. I'm sure most here are  
7 familiar with the acid method of catalytic converter  
8 etching and it's pretty inefficient. With this new  
9 system, we're able to actually scan a barcode that is able  
10 to etch these VINs and it's going to speed up the process  
11 for us and be able to take these VIN etching events to  
12 another level.

13 Next slide, please. And as far as the overtime  
14 operations, I know Sergeant already mentioned we ran seven  
15 SB 224 operations, five to six hours in length. During  
16 these operations we've completed two arrests solely based  
17 on catalytic converter thieves and combating these  
18 thieves, and we'll go into a couple of cases here.

19 Next slide. On the 7th of this month, one of  
20 the cases that we've had -- we've been noticing trends in  
21 the El Paso area, and we've gotten with our TAC unit --  
22 we've got another TAC unit that does burglaries. In  
23 collaboration with that TAC unit, we were able to identify  
24 this offender.

25 He was wanted on different charges so we were

1 able to pick him up on different charges. We were able to  
2 charge the offender on three of the five that he confessed  
3 to. And we took it a step further and we were able to  
4 identify exactly where he's selling these catalytic  
5 converters.

6 And we learned through that process that he's  
7 not selling it through metal recycling entities; he's  
8 selling it based out of homes in Socorro, Texas that we're  
9 currently seeing that these people are not only selling it  
10 to the metal recycling entities but also through  
11 third-party consumers that are a lot harder to track down  
12 as far as that goes.

13 Another case that's not mentioned on here -- we  
14 have a second case of last week we arrested a gang member.

15 He's affiliated with the Chuco Tango gang member, and he  
16 was seen on a social media presence in El Paso that  
17 brought to light him stealing a number of catalytic  
18 converters. And we were able to arrest him on separate  
19 charges as well, and we were able to get him successfully  
20 charged with catalytic converter thefts in El Paso, in  
21 working in collaboration with our tactical unit that's  
22 there in El Paso.

23 That Chuco Tango gang member is not only tied  
24 to catalytic converter thefts, but also he's furthering  
25 his criminal enterprise by selling these catalytic

1 converters. So we're not only seeing this tied to our  
2 sole based catalytic converter theft, he's moving into  
3 different types of criminal activity as well. So that one  
4 was good arrest.

5 Next slide, please. These are some of the  
6 photos from that suspect vehicle.

7 Next slide. We were able to identify that  
8 offender through his vehicle through multiple cases  
9 through the city and county of El Paso.

10 Next slide. So as far as the metal recycling  
11 entities, the El Paso Police Department's Auto Theft Task  
12 Division, we actually got our first training for the MRE  
13 provided by DPS Investigator Sherri Stiegelman. She was  
14 gracious enough to give us this training to the whole  
15 unit.

16 With that also being said, during our overtime  
17 operation, we were able to conduct our first inspection at  
18 one of the metal recycling entities. Although no  
19 enforcement was needed at the metal recycling entities,  
20 we're starting to build those relationships with the metal  
21 recycling entities. That way we can start working  
22 together in the future to combat these catalytic converter  
23 thefts.

24 Next slide, please. Here's some of the  
25 pictures of the metal recycling entity that we conducted



1 an inspection on.

2 Next slide, and next slide. This is our  
3 trailer that we've used for community outreach that we  
4 take with any of the VIN etching events that we've been  
5 doing. You can see that we have the catalytic converter  
6 and the MVCPA logo on that as well.

7 MR. LONGENBAUGH: I also just wanted to add  
8 with those arrests that we had, some of those offenders  
9 have been targeting catalytic converters from as far back  
10 as 2023. So with the funds that we received from SB 224,  
11 we were able to directly focus on those individuals and  
12 benefit from that overtime money and being able to focus  
13 solely on those subjects and make affective arrests and  
14 address the issue.

15 We're open to any questions if y'all have any.

16 MS. JONES: Great job with staying with the  
17 mission of 224. Like that's literally what it's here for,  
18 to be proactive. And it's fantastic to hear that you had  
19 a prior problem, you knew there was a problem, but based  
20 on funding, you were able to purchase the necessary tools  
21 to get behind that problem.

22 We all also know that the day we purchase  
23 equipment, it's already obsolete, so it's fantastic to  
24 hear the words from you and from Potter County and from  
25 the committee last week, those who presented to the

1 committee about the forward-thinking of, okay, we're  
2 preparing for the future. So great there.

3 I also know that you guys have been doing  
4 community events for a very long time, so I'm going to  
5 assume you keep doing them because they're very  
6 successful. So can you explain your marketing technique,  
7 how many people attend, and what is working so well in El  
8 Paso that we can pass along to other cities that may not  
9 be as successful as El Paso?

10 MR. LONGENBAUGH: So we usually try to announce  
11 it usually in the form of like a press release or on our  
12 social media page through the department. We also hit up  
13 events where there's going to be a large number of people.

14 Like for example, we had an air show in El Paso, the  
15 Amigo Air Show, and we took the time to go out there, set  
16 up a booth with our crime prevention truck.

17 It's a little bit outdated, that's why we need  
18 the new ones. I think it's a 2010 Ford F-150 that's got  
19 like 200,000 miles on it or something like that.

20 We do try to announce it to the people. Our  
21 crime prevention civilian -- he used to work for the task  
22 force many years ago, Steven Plummer. He's got a lot of  
23 good relationships that he's established through the media  
24 through these different organizations that host these  
25 types of events.

1           And he'll go out there and usually a couple of  
2           us will tag along with him and we do the VIN etching  
3           events on the windows. He's got a system, a printer and  
4           everything set up for that. We hand out our merchandise.

5           And yeah, we just try to reach out to as many  
6           people as possible. And we're hoping with the catalytic  
7           converter etchers and bringing that into the picture that  
8           we're able to reach a lot more people and educate them on  
9           this topic.

10           MR. DIGGS: I was just going to say when we  
11           were out in El Paso, it seems like it's been almost a year  
12           ago, not quite, I got the pleasure of seeing that 2010  
13           F-250 or F-150, whichever one it was. Sure it wasn't a  
14           2000? But damn, it looked real clean. I mean, you guys  
15           well maintained it; it looked real nice.

16           But I am looking forward to seeing your new  
17           truck and your new wrap. I hope to see that new MVCPA logo  
18           stamped on it somewhere and then our cat logo as well.  
19           And you guys are doing a wonderful job.

20           And I would say, you know, if you'll reach out  
21           to Amber Ott, she's maintaining all of our social media,  
22           we'll repost what you guys are doing and try and get you  
23           some awareness even a little bit more than you guys  
24           already do.

25           That was a fantastic update. Y'all are doing a

1 lot of good work out there, a lot of good police work,  
2 real nice.

3 MR. LONGENBAUGH: Thank you, Director. Thank  
4 you, Madam Chair.

5 MS. JONES: Any further comments?

6 MR. FOREMAN: Todd Foreman.

7 MS. JONES: Yes, sir.

8 MR. FOREMAN: I just wanted to commend you on  
9 the work you're doing. Building relationships with the  
10 recyclers is great, and making sure they're in compliance.

11 One of the questions I had for you is just a  
12 simple question. Are you sharing with them when you mark  
13 the VIN on the catalytic converter what it's going to look  
14 like so they're aware what they're looking for when they  
15 could be coming into their facilities?

16 MR. LONGENBAUGH: Yes, sir. Once we start  
17 those events, we'll definitely reach out to the local MREs  
18 there. And we have a couple of catalytic converters there  
19 that already have that VIN etched into them, so we'll go  
20 ahead and take those out there and show them exactly what  
21 it's going to look like.

22 MR. FOREMAN: That way if they see one come in,  
23 they can contact you with them coming in and delay them  
24 until you can get there and take care of them.

25 Thank you.

1 MR. LONGENBAUGH: Yes, sir, thank you.

2 MR. FOREMAN: And thank you for all the work  
3 that you're doing.

4 MR. LONGENBAUGH: Thank you, sir, appreciate  
5 it.

6 MS. JONES: Any other comments online and/or in  
7 person?

8 (No response.)

9 MS. JONES: Thank you, gentlemen. Great job.

10 MR. LONGENBAUGH: Thank y'all for your time.

11 MR. DIGGS: So now I'd like to go ahead and  
12 call up agenda item number 10, our Texas Automotive  
13 Recyclers Association. Our member Tchad is here and then  
14 also Bruce. And is Lance here?

15 Bruce is not here, just Lance is here. And if  
16 you guys want to go ahead and come on up and give your  
17 presentation. You can do it from right here where you're  
18 at, you're fine. And we should have your guys have given  
19 us a PowerPoint, we should have that up for you.

20 MR. TAORMINA: First things first. We have  
21 plenty of F-250 parts, so if you guys need to talk to us.

22 (General talking and laughter.)

23 MR. TAORMINA: Major, thanks for having us,  
24 Texas Automotive Recyclers Association. I have Lance  
25 Thomas, our vice president and owner of BYOT Auto Parts in

1 Waco. Bruce Ormand is under the weather and unfortunately  
2 couldn't be with us.

3 Welcome to TARA. We are very excited to learn  
4 a little bit about our industry some of you have seen  
5 firsthand. We have two sides of our business, our  
6 full-service side and our self-service side.

7 So our full-service side is what you saw when  
8 you came to New Braunfels. And then we have our self-  
9 service side which is our pick-and-pull division. We are  
10 salvage yards; we're not junk yards. We have a very  
11 unique business model, and we're very clean and green in  
12 what we'll see here in a minute.

13 And then Lance is just going to jump in and  
14 kind of chime in on some of the topics we hit on and the  
15 history of TARA.

16 Next slide. So who are we? We're the voice of  
17 the automotive recycling world in Texas. We're a  
18 statewide organization of licensed dismantlers. We are  
19 licensed through TDLR and we dismantle end-of-life  
20 vehicles.

21 We provide education to members and advocates  
22 to the industry. We've been in business for 60 years.  
23 We've worked very hard on the legislative front, as well  
24 as all the executive branches, to provide a fair and safe  
25 climate to our customers and a healthy business

1 environment for our industry.

2 That gives you a little illustration there.

3 And again, you saw firsthand, but on average at the  
4 full-service yards we are up to probably 200 parts per car  
5 inventoried. So we go pretty deep and plenty of F-250  
6 parts, again.

7 Next slide. You can see our board directors.  
8 We've got a lengthy history of business owners as well as  
9 executives within our industry -- I've been in the  
10 business 23 years -- but a very talented and unique board  
11 of directors.

12 Lance is our vice president; he's been in the  
13 business a long time, as well as a lot of our members. A  
14 lot of knowledge, a lot of good representation within our  
15 industry, and I can't be proud enough of our president as  
16 well as our directors.

17 Next slide. So our license. We mentioned  
18 TDLR, a great partnership. We've really grown a really  
19 good knowledge base because when you came and saw our  
20 facility in New Braunfels, it was very eye-opening, I'm  
21 sure.

22 People just get that unique understanding of  
23 what we do when you come and see it. We do a lot with the  
24 insurance companies, as well as body shop repair  
25 facilities and the general public.

1           When people come to our facilities, it's just  
2   as nice and clean as what you saw, whether it's a  
3   full-service yard or a self-service yard. Every facility  
4   is salvage licensed, as well as storm water TCEQ  
5   permitted.

6           As I illustrated there, it's a green company.  
7   We evacuate a lot of fluids, a lot of gas. We reuse a lot  
8   of our fluids. A lot of our delivery trucks at our  
9   full-service yards reuse the gas, as well as the oil and  
10  the antifreeze that we evacuate daily.

11           MR. THOMAS: And I just want to comment, too,  
12  just other than also when he says salvage licensed, many  
13  of us actually have a salvage dealer's license and a  
14  general distinguishing number to sell used cars.

15           And I do just want to touch real quick on, you  
16  know, when people think of a used automotive parts  
17  recycler or a salvage dealer, you just automatically  
18  assume that we buy all salvage vehicles, pink titles. And  
19  in fact, I have three locations in Texas. We purchase  
20  about 1,700 cars a month; I've got one in Port Alan,  
21  Louisiana, a little over 2,000 cars a month between the  
22  four, and 99.9 percent of them are all blue titled  
23  vehicles.

24           So just want to clarify some of that.

25           MR. TAORMINA: So the way they brand these



1 titles, it's pretty unique. There's a threshold on the  
2 amount of damage on these vehicles. So like Lance  
3 mentioned, there's a blue title and then there's a salvage  
4 license and then there's a certificate of destruction  
5 based on the damage to the vehicle, and the ACV is what  
6 they call it. So very important that we'll get into as  
7 well and some of the challenges we face with the titles as  
8 well.

9 On the legislative front, we just opened our  
10 89th session. Obviously a lot of work goes into the  
11 session. At the bottom you'll see our lobbyist that has  
12 been in the industry a very long time that represents us.

13 So we work very hard. It's very fast, and we  
14 tackle a lot of bills, and some of the bills that you see  
15 on here that are mentioned is some of the challenges when  
16 it comes to OEM parts. You'll hear a lot of that on the  
17 salvage side of the business. We have an after-market  
18 division as well that sells after-market parts, so there's  
19 several sides to what we offer, what we sell.

20 On our end, we're original equipment parts.  
21 They're used parts, same fit, finish as the OEM new parts,  
22 and that's a big challenge what we face because there's a  
23 lot of safe repair bills. There's a lot of warranty  
24 repair bills that want to mandate using new parts to fix  
25 your vehicle, whether it be a warranty or just a simple

1 repair.

2 So we find a lot of that legislation, but  
3 again, we always go back to the unique point that our  
4 parts are the same fit, finish as the OEs because that's  
5 what we have is OEM parts.

6 The other ones that we mentioned, the purchase  
7 of vehicles non-titled. The commander hit on a very big  
8 topic of ours and that's the purchase of vehicles that are  
9 non-titled or not in the registered owner's name and then  
10 where that vehicle winds up. And unfortunately, that  
11 happens way too often and these cars go right to the  
12 shredder in most cases.

13 A lot of people publicly and socially advertise  
14 this, and you'll see a lot of this when you drive down the  
15 road: No title, no problem, we'll buy your vehicle.  
16 Well, we don't do that. We do it right.

17 We buy vehicles with titles, registered owners.

18 And that's a lot of what we're facing on the legislative  
19 front as well and what we're trying to push.

20 Scrap tires -- we do used tires. We sell used  
21 tires. We do hold tires and then we dispose them to the  
22 generators. So there's a lot of language in proposals  
23 every session that comes up when it comes to used tires  
24 and how we store and dispose of those tires.

25 But the biggest thing that we want to focus on

1 is to help and just really push where we can help on the  
2 legislative front, because again, the biggest one we  
3 probably have is going to be on the OEM side. And then we  
4 want to educate, we want everybody to understand the parts  
5 we sell are safe. And when you go into committee meetings  
6 and you present this, it's very eye-opening for everybody  
7 to understand, as well as what you saw when you came and  
8 toured the salvage yards.

9 That's our legislative panel. I'm very excited  
10 with the session, as I always am every session, and we'll  
11 be ready.

12 Next slide. EV vehicles, we mentioned it  
13 earlier, we kind of touched on it. We dismantle end-of-  
14 life EV vehicles, whether it be a nickel metal battery or  
15 lithium ion. We do a lot of hybrid vehicles, we also  
16 dismantle end-of-life fully electric vehicles.

17 Very challenging on a lot of these vehicles.  
18 That's a picture of a Tesla; we're dismounting Tesla  
19 vehicles at my place right now. There's a lot to these EV  
20 vehicles. It's the future, it's what's being pushed, and  
21 what we are seeing more at the auction pools as well is  
22 end-of-life vehicles.

23 Very hazardous, very sensitive to what we have  
24 to use or not use, the type of tools we use -- it's very,  
25 very unique as to what these manufacturers are building on

1 the fully electric vehicles. You can't really see it  
2 there, but the whole bottom of that car has a battery and  
3 that's what has to be dropped carefully, store, protect,  
4 and then ultimately recycle. A lot of the EV companies  
5 are trying to reuse these batteries, so I anticipate some  
6 legislation on this.

7 But we are taking it a step further to really  
8 get the knowledge, the understanding, and then obviously  
9 the protective equipment to handle these batteries. We've  
10 had some what they call thermal events at some locations  
11 of ours that are not good when it comes to trying to put  
12 out a thermal event, because you simply can't put one out  
13 when it comes to a battery catching on fire. So that's a  
14 very big challenge and what none of us want to see. But  
15 unfortunately, it has happened at some of our members'  
16 facilities.

17 Next slide. We've got some trade shows. We  
18 were very honored to have Sharon, as well as DMV, and I  
19 can't say enough. We've had Roland come in and talk about  
20 it, Sharon again talked about the partnership and  
21 everything we talk about, what we can do to help each  
22 other.

23 It's a contributive battle that we fight on not  
24 just vehicle theft and recycling of catalytic converters  
25 or theft of, but coming together. We've been invited to

1 the trade show, I believe in July. And that's going to be  
2 a very good opportunity for us to evolve more in  
3 partnership and coming together from TARA to DMV, as well  
4 as DPS, as well as any task force there may be.

5 But we had ours last year, very big turnout,  
6 and again, lot of knowledge. TDLR gave a good  
7 presentation, as well as DMV and DPS, so we're very happy  
8 and pleased with our partnership and we're very eager and  
9 excited to go further.

10 Next slide. Our membership goals. Again,  
11 we've got a lot of salvage yards in Texas and not  
12 everybody is a member of TARA. We want everybody to be a  
13 member of TARA and we want to really make sure the  
14 partnership is there and they're understanding and then  
15 ultimately help them, because that's what we do, we're the  
16 voice of the automotive recyclers division.

17 Associated members is 13, direct members is 95,  
18 that's a total of 108 members. There's a lot more salvage  
19 yards out there. So our goal is to get the membership  
20 count up and get that goal to surpass 200 by the end of  
21 2025.

22 Having the agencies like we mentioned on here,  
23 as well as what you could see on there, is very important  
24 for us to spread that word and spread that education and  
25 knowledge because it's going to take all of us working

1 together. As I mentioned, TDLR is our umbrella for  
2 regulation.

3 The Automotive Recyclers Association is our  
4 national chapter, that is the TARA at a national level.  
5 We work very closely with them, very educational tools  
6 they provide us, as well as workshops, and then ultimately  
7 their university to educate our dismantlers as well as our  
8 staff.

9 Texas DMV, we do have our end-of-life solutions  
10 for certain part types to end of life, as well as our --  
11 NMVTIS is what we call it. We record and we submit every  
12 VIN on vehicles we purchase on our database, so that's  
13 what that NMVTIS is.

14 But again, like I mentioned, I'm very excited  
15 going into 2025 and eager to work with everybody. And  
16 it's been a great partnership; I can't say enough.

17 Next slide. Again, thank you for your  
18 partnership. Some of the challenges I mentioned about  
19 what we face, you know, it's vehicles and it's crime and  
20 where these vehicles go.

21 Right now we starve for salvage at the auction  
22 pools and the storage lots. We need salvage vehicles to  
23 make our businesses run. Some of the members are just so  
24 tight on trying to get salvage and when you have vehicle  
25 thefts that go across the border that raise prices, that

1       hurts us tremendously.

2               And the prices that averaged way back when when  
3       I started in 2004 compared to now is just tremendous. I  
4       had an average price of \$1,800 per car when I first  
5       started; I'm up to \$4,000 per car. And that goes to the  
6       facilities that need it, because we have a lot of salvage  
7       facilities.

8               We have a lot of pick-and-pulls, and we need  
9       parts to survive and our businesses need that. So can't  
10      say enough about that.

11              And then like I mentioned on the non-titled  
12      vehicles theft, that's a big one for us, and we really  
13      fight on that and we really try to push legislation.  
14      Because we want to do it right. We want to get that  
15      illegal activity.

16              There's a lot of liens that are being bought  
17      and then come back to those independent dealers that get  
18      hit when there's a car bought illegally or a theft on a  
19      car with a lien. That's a big, big thing for us right now  
20      that we want to help control.

21              But again, thank you for the partnership,  
22      everybody on the call. All the meetings we had in 2024,  
23      I'm very eager and again excited for our partnership and  
24      the direction we're going.

25              MR. THOMAS: And so I've got a ton of notes

1 here, won't cover them all, but this is something that I'm  
2 passionate about. And I can say being in the industry 17  
3 years or so, I would say the past few years have been the  
4 best relationship that we've seen with several of the  
5 regulatory agencies. TDLR has been great to work with.

6 Historically, the auto theft task force in my  
7 areas were difficult to work with. They were focused on  
8 chasing the stolen vehicles, which is understandable, you  
9 know. It's more there are just so many of these vehicles  
10 that are being purchased and scrapped and not reported to  
11 NMVTIS every day.

12 I mean, when I tell you, you know, in my Baton  
13 Rouge location, you can buy vehicles in Louisiana without  
14 a title there, and I would say 50 percent the vehicles I  
15 purchase are purchased without a title. Vehicles get  
16 reported to what they all the Auto Hulk Database. It  
17 flags law enforcement immediately; it flags lien holders  
18 immediately if there's a lien on it. Of course, you can  
19 look it up through another database kind of similar to  
20 what Texas offers to like their VSF, vehicle storage  
21 facilities.

22 But I can -- out of 500 cars a month there, I  
23 may return one car a month. And normally it's a relative  
24 theft of something. There's not a whole lot of major  
25 crime stuff that gets purchased, gets returned right back



1 to the owner.

2 And so in that aspect, there is a lot of good  
3 things. I know there's a lot of worries about going to  
4 something like that in Texas because of liens, and what I  
5 would say to that is the cars are getting stolen and sold  
6 every day, whether it's got a lien on it or not. It can  
7 have a payday title loan on it and if they need money,  
8 there is people that will buy it and it will be gone  
9 tomorrow and never reported and never seen again.

10 And so my recommendation -- and I think we  
11 asked this in one of our work groups, I don't remember.  
12 We were talking with DMV or somebody, or maybe it was with  
13 you guys, but asked if there were any statistics on the  
14 sheer volume of vehicles that is occurring with, and from  
15 our understanding, there was none. And I think that's  
16 important to understand.

17 You know, when we're looking at all the  
18 converter laws that are now in place and the civil  
19 penalties for those -- you know, I can tell you just in my  
20 Waco area, in the last year I worked with Stinehower  
21 [phonetic] out of Burnet County -- and unfortunately,  
22 McLennan County chooses not to participate. And so there  
23 were three stolen vehicles recovered and of those that I  
24 reported to him -- they crush every single month, and  
25 before he got there, they had already crushed 300 or 400

1 cars. And that doesn't account for vehicles that probably  
2 had liens on them that were purchased without titles.

3 And so there's a lot of that that needs to  
4 really be addressed, because when we're talking about one  
5 component of the vehicle, the catalytic converter, you  
6 have copper and aluminum at their highest recorded prices  
7 ever. And so from a theft standpoint, I realize  
8 converters, a lot of thought is a lot of it is going to  
9 Mexico. We just had this conversation a while ago. It  
10 would be very easy for someone to buy them in Texas and  
11 take them to Florida or to Oklahoma or Louisiana without  
12 having to go across the border.

13 And so I think the civil penalties or the civil  
14 fines, you know, really need to be looked at for those  
15 illegal operations. And I do appreciate these guys are  
16 actually targeting those operations because that is a huge  
17 amount of where the car thefts are going and converters  
18 and stuff like that. And all it takes for one of those  
19 guys to be able to scrap cars is a salvage dealers  
20 license. And historically, the salvage dealers license,  
21 it only allows them to purchase vehicles with a pink  
22 title, but they buy vehicles with any color title, blue  
23 title, no title, and are able to run those through the  
24 MRE. And so, you know, I think there's a lot of work that  
25 needs to be done on that.

1           You know, I did want to mention Dean Cain in  
2   Beaumont also has been great to work with. He's helped on  
3   a lot of issues we've had down there, and also we try to  
4   contribute to help those guys. All of them that I work  
5   with know they can show up at my facility any time.  
6   Anyone is welcome, any regulatory agency, I want them to  
7   come and tour.

8           Because like Tchad was saying, you know, their  
9   business is full-service. They tend to focus on a little  
10  later model vehicles. All of my locations are self-serve,  
11  so we operate on volume of cars and volume of customers,  
12  and so BYOT, bring your own tools, pull your own parts.

13          And so, you know, as he was saying that we need  
14  those to stay in business, you know, we've gotten that  
15  junkyard mentality in a lot of our -- you know, people  
16  grew up calling us junkyards, and really that's not the  
17  case. There are junkyards out there, but if you come into  
18  our facilities, you see one of Tchad's up there, their  
19  cars are all lined up. They're all sitting up off the  
20  ground, there's not trash and parts and everything laid  
21  everywhere. So we want to help drive that new stigma of  
22  being an auto recycler.

23          And so I do appreciate the collaboration and we  
24  appreciate the opportunity to be able to talk. And in my  
25  opinion, those are the ways that we could be helped with

1 more collaboration, focusing on the illegal entities, and  
2 also helping us work towards some type of no title or ease  
3 of title restrictions so that we can compete with the  
4 illegal operators.

5 Thank you.

6 MS. JONES: Mr. Thomas, can you explain the  
7 difference between pink and blue.

8 MR. THOMAS: So pink title is a salvage vehicle  
9 that is not roadworthy. It's been in an accident and  
10 insurance has basically deemed it a total loss. It has to  
11 be rebuilt, which then you have to go through several  
12 processes of getting it rebuilt and re-registered and then  
13 it would go into a rebuilt title.

14 And a blue title is a clear title. That is how  
15 any vehicle comes when there's not any kind of remarks or  
16 anything on it.

17 MR. TAORMINA: So it's 75 percent of the  
18 damage. So when you wreck your vehicle, you take it in,  
19 if it's 75 percent or more versus the actual cash value of  
20 the vehicle, that's when you come into play with a title  
21 branding and it goes to the auction pools, to answer your  
22 question.

23 MS. JONES: Perfect. Thank you both.

24 Mr. Diggs, you had a question?

25 MR. DIGGS: Tchad, I was just curious. You

1 were talking about the EVs being part of the future of  
2 your industry. I'm curious if you guys have had enough  
3 experience yet to determine -- and obviously we all know  
4 that EVs don't have a catalytic converter -- but I'm  
5 curious about how it's going to impact your industry as  
6 far as profitability. Right?

7 So I mean, is there more profit in staying with  
8 the combustion engine, you know, vehicles versus the EV  
9 vehicles as far as your industry is concerned, or do you  
10 know yet?

11 MR. TAORMINA: No, it's a good question. We've  
12 tossed that around a lot. We obviously prefer combustion  
13 engines; that's been our bread and butter for decades and  
14 that's what we live by and what we sell.

15 But with the EV evolution coming, we are  
16 profitable in the hybrids; the Toyota Prius is one of our  
17 hottest selling vehicles. The battery alone is up to  
18 \$4,000 that we sell off these Priuses. So we're  
19 profitable. The car is not expensive at the auction.

20 But when you start getting to the fully  
21 electric vehicles, those are the ones that we first need  
22 more knowledge on. These batteries, we actually test  
23 vital signs on these batteries and they're still hot.  
24 They're hot when they come out of the vehicle, they're hot  
25 when we store them.

1           Unfortunately, like I mentioned, we've had  
2           thermal events, just the battery sitting on a shelf at a  
3           salvage yard, and that's not a good thing. So we have to  
4           be careful because they're there.

5           To answer your question, Mr. Diggs, we're  
6           profitable on these EV vehicles, we really are. The life  
7           of these vehicles, it's very unique within our world. An  
8           older vehicle, it sells the engine components; that's our  
9           hottest seller on an older vehicle. The newer vehicles is  
10          more on the crash parts, the sheet metal.

11          The EV vehicles, the battery actually has a  
12          motor in it. Those are our sellable parts, our profitable  
13          parts. The crash parts on a Tesla right now, they're not  
14          in high demand right now but they will be. So as years  
15          evolve, we'll get more profitable on these EV vehicles,  
16          but right now, the battery alone is very profitable.

17          MR. DIGGS: Thank you.

18          MS. JONES: Any questions from online?

19          (No response.)

20          MS. JONES: Hearing none, I'm looking forward  
21          to July, the conference where you guys, whoever you choose  
22          is going to present. We'll work with you as far as  
23          presentations and your suggestions of what you would like  
24          to present to us.

25          That's the first ever that this will occur so

1 I'm excited about the partnership and working together as  
2 a team. We're looking forward to presenting our woes to  
3 you as well, and you mentioned the civil penalties, that's  
4 a woe for both of us. But it's going to be educational.

5 You'll open your eyes to our business as well  
6 as you have already for us with the tours that you've  
7 allowed us to see the behind-the-scenes, and so it's going  
8 to be a phenomenal conference. I'm looking forward to it.

9 MR. TAORMINA: Thank you.

10 MS. JONES: You're welcome.

11 Hearing no additional questions, thank you,  
12 gentlemen.

13 MR. DIGGS: I'd like to now go back to Josh  
14 Martin. You should be able to share your screen and  
15 provide your update.

16 MR. MARTIN: Thank you, Director Diggs. I'm  
17 sharing my screen now. Bear with me one moment. If  
18 someone can just confirm that they can see that.

19 MR. DIGGS: Yes, sir, we can.

20 MR. MARTIN: All right. Thanks again. I know  
21 it's getting late in the day. I will make this brief.

22 I'd like to just briefly describe who we are,  
23 what we do, and how it impacts the crime prevention. So  
24 while we are part of DPS, a law enforcement agency, the  
25 compliance and enforcement service, it's comprised of

1 non-commissioned civilian personnel. And our goal is to  
2 ensure licensed businesses and individuals throughout the  
3 state are operating within the required rules and laws.

4 And so this is done with our program  
5 investigators through a combination of routine and risk-  
6 based inspections. Our investigators also conduct  
7 investigations initiated from complaints submitted to the  
8 department. And ideally, we want to educate and have the  
9 businesses gain voluntary compliance. But when violations  
10 are found, we take administrative enforcement action,  
11 whether it be a fine or a suspension or revocation of  
12 their license, depending on different factors.

13 Also, during an inspection when criminal  
14 elements are involved, our investigators coordinate with  
15 our CID agents or our local law enforcement partners. I  
16 know there are many examples of this type of coordination  
17 throughout the past year.

18 But historically, our personnel have had to  
19 wear many hats, inspecting a wide variety of licensed  
20 businesses and individuals in a variety of regulated  
21 industries. But in 2024, through grant funding, we  
22 created 16 positions designated specifically to regulate  
23 the metal recycling entities. This was a direct effect  
24 from Senate Bill 224 adding resources to help prevent the  
25 purchases of stolen catalytic converters.



1           This has been an exciting time for these  
2           investigators. It's given them an opportunity to really  
3           dive deep into the Texas metals program and become those  
4           subject matter experts that we need in the field.

5           So on a monthly basis, our case support unit,  
6           they generate a catalytic converter report that is shared  
7           internally with our division. This was implemented last  
8           year and it's typically a 20-page report that highlights  
9           catalytic converter purchase transactions at metal  
10          recycling entities. For purposes of this presentation, I  
11          won't go through the entire report but I have a few slides  
12          here from our December report that I'll share.

13          So this first one, it shows catalytic converter  
14          transactions from December of 2023 through December of  
15          2024. Now, the business names have been redacted here,  
16          but normally you would see the top ten or so metal  
17          recycling entities in terms of catalytic converter  
18          purchases, where they're located and how many catalytic  
19          converter purchases were made in that time frame. The  
20          lower graph depicts the transactions color-coded by region  
21          with monthly data points. So this slide provides a quick  
22          glance at who the big players are and highlights any  
23          trends as far as volume over the course of the year.

24          This next slide shows the top ten metal  
25          recycling entities in regards to catalytic converter

1 transactions for the last month, and then it's sorted by  
2 region. Again, the businesses have been redacted but it  
3 simply shows who and where the most catalytic converter  
4 purchases were made last month.

5 This next image, it's the same data points from  
6 the last slide, but in addition it indicates the  
7 declaration status of the businesses and what region  
8 they're in. So after Senate Bill 224 was passed into law,  
9 all existing metal recycling entities and new applicants  
10 were and are required to declare to what extent they  
11 intend to engage in transactions involving catalytic  
12 converters. They make this declaration in their profile  
13 in the Texas online metals database.

14 So you'll see that many of the larger volumes  
15 of transactions come from businesses that declared full  
16 conversion, meaning they physically convert the catalytic  
17 converters into raw material products using power tools  
18 and equipment. Many of these companies are solely in the  
19 business of catalytic converters. But this information is  
20 also useful for detecting red flags.

21 In this case, you can see a business in the  
22 southeast region that purchased seven catalytic converters  
23 last month, but they declared with the department that  
24 they have no intent to purchase catalytic converters. So  
25 this is a red flag to me and this is the kind of

1 information that is useful for an investigator to look  
2 into further and determine if there are potential  
3 violations here.

4 This is the final slide from our catalytic  
5 converter report. It's just a heat map comparison showing  
6 catalytic converter transactions in calendar year 2023  
7 compared to year 2024. It's just a 30,000-foot view of  
8 where the action is happening.

9 As you can see, there's not much change from  
10 year over year -- looks like there's fewer transactions  
11 along the border but a slight increase in Dallas and San  
12 Antonio. This information is helpful to know so that  
13 we're deploying the appropriate amount of resources and  
14 attention in the right areas.

15 So there are currently 643 actively licensed  
16 metal recycling entities statewide. This number seems to  
17 stay fairly stable year over year, with a slight decrease  
18 in the last month which is more than likely attributed to  
19 not renewing their license prior to expiring.

20 A few other additional stats I can share.  
21 We've implemented a self-obligated inspection frequency of  
22 two inspections per year at each metal recycling entity,  
23 which comes out to roughly 1,300 inspections a year  
24 statewide. Last quarter we had approximately 140  
25 inspections that resulted in administrative violations,

1 and of those about 8 percent of them involve catalytic  
2 converter violations.

3           So while this is not an overwhelming number,  
4 these are typically violations of Occupations Code  
5 1956.0321, not being able to provide the required records  
6 pertaining to the catalytic converter purchases. That's a  
7 \$500 fine for first offense. And less frequently we'll  
8 find business-to-business catalytic converter transactions  
9 that's 1956.123 or .124, and those violations are a \$5,000  
10 fine for first offense.

11           But all in all, our folks are out there. I  
12 think they're making an impact for the better. Excited to  
13 see what the new year brings and what changes may be  
14 coming with the 89th Legislative Session.

15           I recently did some bill analysis for House  
16 Bill 1120 which was filed in November, relating to the  
17 purchase of catalytic converters which would require  
18 further rules for the metal recycling entities. We'll  
19 have to see and wait to see on that.

20           But besides catalytic converters, we have some  
21 serious issues with copper theft and stolen communication  
22 wires, so there's always work to be done.

23           That's all I have today for an update. My  
24 contact information is on the screen, so please feel free  
25 to reach out to me anytime if you have questions or need

1 assistance from the Compliance and Enforcement Service.

2 Thank you very much.

3 MS. JONES: Thank you, Josh.

4 Mr. Diggs.

5 MR. DIGGS: Hey, Josh, thank you for that  
6 really good update. I was going to say I had reached out  
7 to Director Joy last week and he had mentioned that you  
8 guys have actually already got, I believe it was 14 of the  
9 16 staff members hired, I believe it is. So you guys are  
10 doing some good work. I look forward to hearing more  
11 during our state partner agency monthly meeting.

12 So again, thanks for all the work you're doing  
13 and thanks for the update. And thanks for serving on this  
14 committee.

15 MR. MARTIN: Thank you, Director.

16 MS. JONES: Any additional questions online or  
17 in person, or comments?

18 (No response.)

19 MS. JONES: Great presentation, Josh, great  
20 detail.

21 Mr. Diggs, I presume we've completed that  
22 agenda item.

23 MR. DIGGS: Yes, ma'am.

24 MS. JONES: Okay. Perfect.

25 We will move on to agenda item number 11. Our

1 next meeting for this committee 224 will be April 16 and  
2 it will be here in Austin. April 16 in Austin, 9:00 a.m.

3 And once again, our July conference is the week  
4 of July 13 in Fort Worth, the entire week. And it's  
5 important to note that it's not just a law enforcement  
6 conference. We've had those and the way they were  
7 designed, it excluded our staff who are non law  
8 enforcement.

9 So we have a plan to address law enforcement  
10 needs that we have to. But then also, the conference is  
11 open to everyone, our analysts, those who curate the  
12 budgets for us. People are nodding in the back. Yes,  
13 it's literally for everyone, administrative staff, those  
14 who take care of us.

15 It doesn't really make sense to me that we have  
16 an analyst who knows everything and they provide  
17 everything to us but then we exclude them, or our partner  
18 agencies. Or even when we had our sponsors and vendors  
19 who sponsor a particular event or a particular training  
20 and they're excluded from the training, it doesn't make  
21 sense because how are they supposed to craft their tools  
22 better if they don't know what we're talking about and  
23 what we need.

24 So I'm very excited about this open conference  
25 that's open to everyone.

1                   Agenda item number 14. Cassandra, do we have  
2 any public comment?

3                   MS. FLINT: No, ma'am, we do not.

4                   MS. JONES: Hearing no public comment, we will  
5 now move on to the end of the agenda.

6                   Agenda item number 15, which is adjournment.  
7 Do I hear a motion for adjournment?

8                   MR. PORRAS: Madam Chair, may I be  
9 acknowledged?

10                  MS. JONES: Yes, sir.

11                  MR. PORRAS: Madam Chair, for the record, Rick  
12 Porras. I make a motion to adjourn.

13                  MR. TAORMINA: I second that.

14                  MS. JONES: Perfect. Thank you, Member  
15 Taormina.

16                  Meeting is adjourned at 5:01.

17                  (Whereupon, at 5:01 p.m., the meeting was  
18 adjourned.)

C E R T I F I C A T E

MEETING OF: MVCPA SB 224 Advisory Committee

LOCATION: Austin, Texas

DATE: January 22, 2025

I do hereby certify that the foregoing pages,  
numbers 1 through 88, inclusive, are the true, accurate,  
and complete transcript prepared from the verbal recording  
made by electronic recording by Nancy King before the  
Texas Department of Motor Vehicles.

DATE: February 5, 2025

/s/ Nancy H. King  
(Transcriber)

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