

The State of Texas
House of Representatives



Joseph C. Pickett

El Paso • District 79

Capitol Office: 1W.5
P.O. Box 2910
Austin, Texas 78768-2910
512-463-0596
Fax: 512-463-6504

District Office:
1790 Lee Trevino
Suite 307
El Paso, Texas 79936
915-590-4349
Fax: 915-590-4726

Chair Laura Ryan,

April 1, 2016

I appreciate the open dialog between your Executive Director, staff, and myself regarding the Process and Handling Fee that has at times been a wrestling match.

The last briefing left me less than excited about a "Best" plan. I do realize that a lot of work and comments from interested parties have been plentiful and your willingness to move forward is something I support. However, I feel asking the Tax Assessor Collectors across the state to trust that the numbers provided them in the working draft are the best for all parties would be presumptuous.

The bottom line is that the draft assumes a total decrease in revenue in the first five years to counties of \$29,060,000.00. That is real dollars, a reduction in hard money. The draft goes on to conclude it will be offset by budget savings to the counties of approximately \$30,967,000.00. This is not adequately substantiated, this is not real dollars. Not all counties will see the same "cost savings." These numbers are too close to call. With there being different percentages of the types of transactions, I believe we will have some winners and unfortunately some losers. Rethinking some of the numbers and percentage splits will insure that everyone wins. My initial intent, as much as possible, in the legislation was to bring uniformity in the overall fees. Full Service Deputy arrangements have been more of a challenge than I first thought. So my suggestion is to relook at the structure of the online discount contemplated. New information from Department of Information Resources regarding ACH charges, should help.

I also see a concern with suggesting additional Deputies use of the vehicle inspection stations. Previously filed legislation should not be a reason to believe major changes are one the way, but with Senate Transportation looking at the inspection issue and the promise of future filed legislation, please consider treading lightly in this initiative.

I believe the process and handling fee is still a viable and valuable benefit to both the State and our customers, the tax payers. To be successful, the entities that are doing the majority share should be just as convinced we are that whatever we decide on will work for everyone.

I have some other thoughts that I would be happy to share, these are the main points that I wanted to make.

Respectfully,

A handwritten signature in black ink that reads "Joe C. Pickett". The signature is stylized with a large, flowing "J" and "P".

Joe C Pickett

From: Uresti, Albert [<mailto:Albert.Uresti@bexar.org>]

Sent: Friday, April 01, 2016 3:42 PM

To: Brewster, Whitney <Whitney.Brewster@txdmv.gov>; Kuntz, Jeremiah <Jeremiah.Kuntz@txdmv.gov>

Cc: Palacios, Stephen <spalacios@bexar.org>; Anderson, Lisa <lisaanderson@bexar.org>; Uresti, Albert <Albert.Uresti@bexar.org>

Subject: Bexar County Process and Handling Fees Alternate Proposal

4-1-16

Ms. Whitney Brewster and Mr. Jeremiah Kuntz,

Please forward this email to all the TxDMV Board Members by today if possible. Thanks.

au

March 31, 2016

Dear TxDMV Board Members,

Attached is the proposal I sent Representative Joe Pickett and Senator Robert Nicholls. The proposal was put together by Bexar County. Although I am not representing other Tax Offices, many do share our concerns. Both Travis County Tax Assessor Bruce Elfant and I have run the numbers using my attached proposal, and the numbers work for both of our counties. I think our plan is a good one for the Citizens of Texas, the TxDMV, and the Tax Assessor Offices statewide. Additionally, our plan will prevent the Tax Offices statewide from losing over \$7.5 million under the TxDMV proposal, and instead will allow the Tax Offices to see an estimated increase in compensation of over \$1.7 million statewide.

The attached proposal shows the losses and compensations for Bexar County under the TxDMV proposal and under the Bexar County plan, as well as the Counties combined together statewide. The numbers and percentages used in the attachment are those given to us by TxDMV. The numbers and percentages used for Bexar County are our own actual numbers.

My plan did not make any changes to the portion that TxDMV is wanting to retain from the registrations. My plan keeps internet registrations under the County Tax Assessors and not Xerox, as is being proposed by TxDMV. Placing internet registrations with Xerox is a disservice to the Citizens of Texas. The Citizens will still call and come to the County Tax Offices when problems arise, not the Xerox Office. Online registration will also be less expensive as TxDMV wanted. The only requirement for my plan to work is for the Limited (HEBs, etc.) and Full Service Deputies to continue to receive their fee as a convenience fee apart from the P&H fees; the same way it's been for over 30 years.

The Counties had been assured by TxDMV that they would not lose money under the new process and handling fee proposal; however, we estimate the Counties statewide will lose over \$7.5 million per year. Bexar County alone is losing \$930,000 per year. Travis County, and Harris County, along with the other counties statewide, will also see a net loss in compensation.

TxDMV paid for a study to insure the Counties would be compensated correctly; however, the fees being proposed by TxDMV are lower than the study recommended. Finally, TxDMV's plan to save money on the issuance of license plates is something they can do now and should have done a long time ago and does not require any plan changes.

We ask that you please consider our proposal carefully. All of us share the same goal, which is to continue to provide the Citizens of Texas the best customer service possible. Thanks.

Albert Uresti

Albert Uresti, MPA, PCC

Bexar County Tax Assessor-Collector

210.335.6585

albert.uresti@bexar.org





Albert Uresti, MPA, PCC
Office of the Tax Assessor - Collector

March 31, 2016

Dear TxDMV Board Members,

Attached is the proposal I sent Representative Joe Pickett and Senator Robert Nicholls. The proposal was put together by Bexar County. Although I am not representing other Tax Offices, many do share our concerns. Both Travis County Tax Assessor Bruce Elfant and I have run the numbers using my attached proposal, and the numbers work for both of our counties. I think our plan is a good one for the Citizens of Texas, the TxDMV, and the Tax Assessor Offices statewide. Additionally, our plan will prevent the Tax Offices statewide from losing over \$7.5 million under the TxDMV proposal, and instead will allow the Tax Offices to see an estimated increase in compensation of over \$1.7 million statewide.

The attached proposal shows the losses and compensations for Bexar County under the TxDMV proposal and under the Bexar County plan, as well as the Counties combined together statewide. The numbers and percentages used in the attachment are those given to us by TxDMV. The numbers and percentages used for Bexar County are our own actual numbers.

My plan did not make any changes to the portion that TxDMV is wanting to retain from the registrations. My plan keeps internet registrations under the County Tax Assessors and not Xerox, as is being proposed by TxDMV. Placing internet registrations with Xerox is a disservice to the Citizens of Texas. The Citizens will still call and come to the County Tax Offices when problems arise, not the Xerox Office. Online registration will also be less expensive as TxDMV wanted. The only requirement for my plan to work is for the Limited (HEBs, etc.) and Full Service Deputies to continue to receive their fee as a convenience fee apart from the P&H fees; the same way it's been for over 30 years.

The Counties had been assured by TxDMV that they would not lose money under the new process and handling fee proposal; however, we estimate the Counties statewide will lose over \$7.5 million per year. Bexar County alone is losing \$930,000 per year. Travis County, and Harris County, along with the other counties statewide, will also see a net loss in compensation.

TxDMV paid for a study to insure the Counties would be compensated correctly; however, the fees being proposed by TxDMV are lower than the study recommended. Finally, TxDMV's plan to save money on the issuance of license plates is something they can do now and should have done a long time ago and does not require any plan changes.

We ask that you please consider our proposal carefully. All of us share the same goal, which is to continue to provide the Citizens of Texas the best customer service possible. Thanks.

Sincerely,

A handwritten signature in black ink, appearing to read "AU", is located below the "Sincerely," text.

Albert Uresti, MPA, PCC
Bexar County Tax Assessor

Types of Registrations	Percentage of		State Fees		County Compensation	
	All Registrations		Current	Proposed	Current	Proposed
	Bexar	State	Fees	Fees	State Fees	State Fees
Walk-In	30%	65%	51.75	55.75	1.90	2.30
Online	15%	18%	54.75	54.50	2.90	0.25
Mail	9%	2%	52.75	55.75	2.90	2.30
Limited (i.e. HEB)	28%	11%	*52.75	*55.75	1.90	1.30
Full Service	18%	4%	**56.75	**59.75	1.90	1.30
	100%	100%				

* Includes \$1.00 Convenience Fee

** Includes \$5.00 Convenience Fee

Bexar County Alternate Plan

Types of Registrations	Bexar	State	Deputy	Proposed	Texas.Gov	Proposed	Total
	Proposed Fee	Automation Fee	Convenience Fees	Vendor Fee	Internet Fee	State Portion TXDMV Fee	Proposed P&H Fee
Walk-In	2.30	0.50				2.20	5.00
Online	1.60	0.50		**0.50	2.00	0.40	4.50
Mail	2.30	0.50				2.20	5.00
Limited (i.e. HEB)	2.30	0.50	****1.00			2.20	5.00
Full Service	2.30	0.50	*****			2.20	5.00

*** 0.50 Vendor Fee is not included in Total Proposed P&H Fee
 **** \$1.00 Convenience Fee is not included in Total Proposed P&H Fee
 ***** Full Service Convenience Fee to be Market Driven (\$5 to \$15)

Types of Registrations	Total County Compensation with Proposed Bexar P&H Fee Changes		Total County Compensation with Proposed State P&H Fee Changes					
	Bexar County		Bexar County			State of Texas - All 254 Counties		
	Proposed Bexar P&H Fee Changes	All Counties	Auto Regs	Current Revenue	Proposed Revenue	Auto Regs	Current Revenue	Proposed Revenue
Walk-In	\$ 1,047,291.10	\$ 35,508,496.99	455,344	\$ 865,154	\$ 1,047,291	15,438,477	\$ 29,333,106	\$ 35,508,497
Online	371,421.58	6,840,432.86	232,138	673,202	58,034.62	4,275,271	12,398,285	1,068,818
Mail	311,232.31	1,092,569.14	135,318	392,423	311,232.31	475,030	1,377,587	1,092,569
Limited (i.e. HEB)	988,348.50	6,009,130.26	429,717	816,462	558,631.76	2,612,665	4,964,064	3,396,465
Full Service	638,520.06	2,185,138.28	277,617	527,473	360,902.64	950,060	1,805,114	1,235,078
	\$ 3,356,814	\$ 51,635,768	1,530,135	\$ 3,274,713	\$ 2,336,092	23,751,503	\$ 49,878,156	\$ 42,301,427
	\$ 82,100.17	\$ 1,757,611.22			\$ (938,621)			\$ (7,576,729)
	(Loss)/Gain to County(s)		(Loss)/Gain to County			(Loss)/Gain to Counties		

**Chairman**

Judge

Veronica Escobar
*El Paso County***Chair Elect**

Judge

Robert Hebert
*Fort Bend County***Immediate Past Chair**

Commissioner

Bobbie Mitchell
*Denton County***Vice-Chairmen**Comm. Tim Brown
*Bell County*Judge Ed Emmett
*Harris County*Judge Loyd Neal
*Nueces County*Judge Glen Whitley
*Tarrant County*Judge Dan Gattis
*Williamson County*Comm. Kevin Burns
*Wise County***Executive Director**

Donald Lee

Member Counties*Bell ~ Bexar**Brazoria ~ Brazos**Cameron ~ Chambers**Collin ~ Comal**Dallas ~ Denton**Ector ~ El Paso**Fort Bend ~ Galveston**Grayson ~ Gregg**Guadalupe ~ Harris**Hays ~ Hidalgo**Jefferson ~ Johnson**Kaufman ~ Lubbock**McLennan ~ Midland**Montgomery ~ Nueces**Potter ~ Randall**Rockwall ~ San Patricio**Smith ~ Tarrant**Travis ~ Webb**Williamson ~ Wise*500 West 13th Street
Austin, TX 78701

Phone: 512.476.6174

Fax: 512.476.5122

www.cuc.org

April 6, 2016

Ms. Whitney Brewster

Executive Director

Texas Department of Motor Vehicles

4000 Jackson Avenue, Building 1, Lone Star Room

Sent via email: whitney.brewster@txdmv.gov

Re: Proposed Rule Changes to Chapter 217 Texas Administrative Code, Vehicle Titles and Registration

Dear Director Brewster:

The Texas Conference of Urban Counties is composed of 38 counties representing over 80% of Texas residents. We have recently become aware that the Department is asking the DMV Board to consider for publication rule changes to Chapter 217, Administrative Code, relating to fees associated with vehicle titles and registration.

We understand the Department developed the proposal with a stakeholder committee. That committee did not include representation from our Association nor representation that reflected the vast diversity of circumstances of Texas urban counties.

The Urban Counties had significant discussions with the legislature in 2011 when HB 2017 was being considered. We were assured that the change from a statutory set amount per registration to one established by the Department would result in at least the same amount of money if not significantly more for counties. Counties were promised that the final fee schedule would not cost counties money.

It appears that the proposed rules violate that promise. Arbitrary caps on the amount that title service providers can recover threatens that successful public-private partnership, which will increase costs to counties. Changes to the registration administration fee that counties retain will, according to the department's own data, cost urban counties millions of dollars. This does not meet the intent of the legislation.

We understand that some are arguing that other facets of the proposal will compensate urban counties for these ill effects – yet urban counties remain uncertain of this analysis. In fact, analysis in the last 24-hours indicates that the new proposed fees result in \$1.5m less than current fee schedule.

We respectfully request that the Department conduct a serious, data intensive examination of the impact of these proposed rules in collaboration with our Association and other impacted stakeholders – including each major urban county.

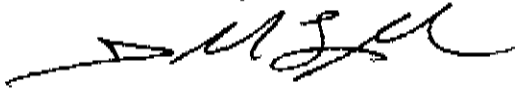
Texas Department of Motor Vehicles
April 6, 2016
Page 2 of 2

Such an effort is imperative to ensure that a proposal can be developed that meets the needs of both the Department and local county property tax payers. We are confident that working together on an adequate analysis of the proposed rule changes can assure all stakeholders that the current proposal meets the original public policy goals of the legislation.

Our requested study of the impact of this proposal should occur before the DMV board considers it for publication.

On behalf of the membership of the Texas Conference of Urban Counties I appreciate your consideration of our request.

Sincerely,

A handwritten signature in black ink, appearing to read 'DL', with a long horizontal flourish extending to the left.

Donald Lee
Executive Director

Cc: Board of the Texas Department of Motor Vehicles



TRAVIS COUNTY COMMISSIONERS COURT

RON DAVIS
Commissioner, Pct. 1

SARAH ECKHARDT
County Judge

BRIGID SHEA
Commissioner, Pct. 2

GERALD DAUGHERTY
Commissioner, Pct. 3

MARGARET J. GÓMEZ
Commissioner, Pct. 4

April 5, 2016

The Honorable Laura Ryan, Chair, and Board Members
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, Texas 78731

Dear Chair Ryan and TxDMV Board Members:

On April 7, the Texas Department of Motor Vehicles (TxDMV) board will consider putting out two sets of rules for comment. One deals with allowable fees for services provided by auto title companies, and the other with the reimbursement rates for Tax Office processing of title transfers and vehicle registrations. We oppose any rule changes that will add to the administrative duties counties perform *on your behalf* without providing the necessary resources to accomplish them.

For years, the Travis County Tax Assessor-Collector's Office has deputized local auto title companies to process auto title and registration transactions for customers purchasing or registering automobiles. The option has proven popular, since about one-third of the 300,000 auto titles and about 10 percent of the 875,000 vehicle registrations processed each year in the county are handled this way. As a result, lines are shorter for those who choose in-person registration at local grocery stores or our Tax Office. Fewer personnel are required, and our Assessor-Collector, Bruce Elfant, estimates that this partnership saves county taxpayers about \$1 million a year.

The second anticipated proposal would restructure the reimbursement rates for Tax Office processing of these transactions, raising some fees (e.g., for in-person transactions from \$1.90 to \$2.30) and lowering others (e.g., for internet transactions from \$2.90 to \$0.25). Under the proposed rules, Travis County will lose \$584,303 in fee revenue a year. Oddly enough, the restructured schedule of titling and registration fees would cost Travis County vehicle owners an additional \$2,215,165 a year. This creates a double-whammy, lose-lose situation for our taxpayers: they will be paying more in fees, and we will be asking more of them to provide the services those fees were designed to cover.

We believe the proposed rules should be shelved and your staff directed to work with tax offices and other stakeholders to fashion a more reasonable proposal. We also recommend that you fashion a Legislative Appropriations Request (LAR) for the next session that reflects the true costs of running the TxDMV and does not impose unfunded mandates on local governments.

On Behalf of the Court,

A handwritten signature in black ink, appearing to read 'Sarah Eckhardt', written over the printed name.

SARAH ECKHARDT
County Judge

Cc: Travis County legislative delegation
The Honorable Robert Nichols, Chair, Senate Transportation Committee
The Honorable Joe Pickett, Chair, House Transportation Committee

From: [billie davison](#)
To: [Zz - Resource - GCO Rules](#)
Subject: rule proposal on 217
Date: Monday, April 25, 2016 1:29:07 PM

Terry Davison Auto Imports
11320 Ranch Rd 2222
Austin, Texas 78730

Mr. Duncan,

This is in reference to the possibly limiting prices on the independent tax offices. As a small independent dealer myself this will possibly put us out of business also. As a small business owner we do employ 4 persons. We provide a valuable service to our community. We also support the local schools with all the extra they have to raise for the student activities.

It is very important that we are able to get funding on vehicles quickly. As you know this requires the 130-U white slip to be provided to the lender. We can't wait days for the county tax office turn around time. I am also a big supporter of local family business.

Universal Auto Title is just that.

I am more than happy to pay the extra fee to get a very quick turn around. The staff is friendly and professional. It is very helpful if I have a question or problem to be able to pick up the phone and have a person answer the call and help me quickly with my problem or concern.

I know Universal employees 7 ladies and it would be a shame to put all the employees of all the offices out of work. Jobs are very important to our survival. I just don't see the justification of all this. If I don't want to pay the fee I will not go. It is that simple. If you do have a hand in forcing the closing due to the regulation of fees the other offices will just be overwhelmed and cause even longer delays.

Thank you,
Billie Davison

From: [Brandon](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Fry Title
Date: Thursday, April 28, 2016 9:55:54 AM

Please keep the independent title offices in business!

Sent from my iPhone

From: [Peggy Ellithorpe](#)
To: [Zz - Resource - GCO Rules](#)
Cc: [Frytitle](#)
Subject: I don't support your proposed changes to private auto title service
Date: Thursday, April 28, 2016 10:55:52 AM

To:
David D. Duncan
General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue, Building 1
Austin, TX. 78731

Mr Duncan

I use a privately owned auto title service for all my title service needs. Because they are BETTER than going the governmental routes.

Do not do anything to change The Texas Administrative Code that would result in permanently closing my preferred title service effective January 1, 2017.

The proposed changes include placing a limit on the convenience charge you pay. - I don't support this.

The proposed rates will immediately force the title services to close which is against public interest and ultimately increase costs to the taxpayer. That's me, I don't support this either.

These private title businesses have been a part of the community for the last 56 years and each employee and the owners wish to continue to serve the residents of Travis County. You don't have a right to close someone's legally operating business, so just knock it off.

I support them in their fight to keep their doors open to serve ME and all of their other loyal customers!

I live here. This is what I want. You are my public servant in these matters, and you must do what the public requests.

Thank you.
P L Ellithorpe
12318 Shropshire Blvd
Austin TX 78753

From: [Pat Fox](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Fry Auto Title Services
Date: Thursday, April 28, 2016 9:27:56 AM

To whom it may Concern,

I have used Fry Auto Title Service for many years and I would hate to see them go out of business.
All the Best ... Pat Fox

From: [Ken Gray](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Private title companies
Date: Thursday, April 28, 2016 9:38:33 AM

Please allow private title companies, like Fry Title, to continue their services. They provide a valuable service for my truck fleet that otherwise would be overly burdensome at a DMV office.

I'm happy paying their convenience fee. It truly is a convenience worth paying for. Please allow us to continue our freedom to choose.

Thank you

Ken F. Gray

Tejas Water Haulers

POB 40448 Austin, TX 78704

512.200.3255

TejasWaterHaulers.com

From: [James Hill](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Rule Proposal on Ch. 217
Date: Thursday, April 28, 2016 11:42:30 AM

What am I not understanding about allowing private people to do registration so I have to wait and look online for 10 years and deal with your s***** f***** mediocrity.

Is there something I'm missing? Please advise because if you're trying to shut down private people there helping people save time and get their f***** car registered and not deal with your red tape and your f***** asshole, smarmy, rude, aloof, chip-on-their-shoulder f***** employees then yeah you can go f*** yourself because you're just another hole trying to make our government bigger and sit here while I'm having to pay for it and sit in the f***** nasty chair for an hour just to get my f***** car registered. This should be done by technology or at least by private parties because you can't do it all obviously. You got 100 motherfuckers sitting in chairs like its a fucking AA meeting. No one signed up for this and theres a private solution and you want to f*** with it? Are you f***** serious?

Getting your registration is abouy two steps down from going to county now.

In America when youre not good at your job someone else helps or takes over.

That whats happened. Act like a real Texan and raise your standards, not lower Texas you dumb fucks.

I pay your your salary.

Pardon mobile brevity and monkey hands.

James Hill - CEO/Creative Dir.

urban squared realty

james@urban2realty.com

Dir// 5129473135

leasing // sales // commercial

From: [Michael McCormack](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Fry's Title
Date: Thursday, April 28, 2016 9:53:45 AM

I have been a customer for 20+ years. They are quick, convenient, and professional and would be a great loss to the community. Please keep these services open.

Thanks

Mike McCormack

From: pickenssellsaustin@gmail.com on behalf of [John Pickens](#)
To: [Zz - Resource - GCO Rules](#)
Date: Thursday, April 28, 2016 11:55:39 AM

Let the license and title company s charge a fee to stay in Business

John Pickens
Sky Realty
512 750 3668



From: [catlin.whittington](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Private Auto Titling Services
Date: Thursday, April 28, 2016 10:50:12 AM

Dear Sirs,

I am writing to voice my concern that administrative rules are threatening private title and registration services in the State of Texas. I have used private registration and titling service in every vehicle purchase that I have made. The service has allowed me more options as well as faster, more personal, service.

I urge you to consider that privately owned and operated title service exist due to a public need and operate as a low-cost extension to the current state-managed services of the DMV.

Thanks for your consideration,
Timothy Catlin Whittington

From: [Billy Young](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Fries Title Service & All other s in Travis County!--Need to Leave them Alone Please!!!
Date: Thursday, April 28, 2016 9:26:04 AM

I Have Used Fries For the past 30 years---Their efficient , Quick And most of all Personable--
--Can't Say The Same for the tax offices in Travis---Chery , & Chris And the Girls Are Super
People and Have Given nothin but the Best Service on Time , on the Spot and are more
knowledgable than any tax office employee!-----Lets keep the Doors Open To Some Of
Austins Best Lil Local Business!! Sincerely William Young !! A Concerned Patron

TO: TxDMV - Chapter 217 Proposed Rule on Full-Service Deputies & Fees:

ATTN: David D. Duncan, General Counsel, Texas Department of Motor Vehicles, 4000 Jackson Avenue, Building 1, Austin, Texas 78731

As a customer, I am a supporter of private title services to process my title and registration needs, and do not object to their service prices currently being charged. I believe that law changes that would regulate their prices and would force them to permanently close the business are not warranted.

NAME: Frances A. Badgett - Auto show place

ADDRESS: 104 E. Starnes Ln

Austin TX 78745

Comments:

Titling services as currently offered by various title service businesses in Austin are very convenient, and they provide a personal level of service that we have come to rely on over the years. We are a used auto sales business, and we are satisfied with current pricing structures.

RECEIVED

MAY 02 2016

FINANCIAL SERVICES

RECEIVED

MAY 04 2016

TXDMV
OFFICE OF GENERAL COUNSEL

From: [Shelby Sumerlin](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Keep title services open
Date: Friday, May 06, 2016 10:05:48 AM
Attachments: [image001.png](#)

To Whom It May Concern,

I am writing on behalf of Dollar/Thrifty Car Rental to let you know how important the independent title companies are and hope you will consider keeping them open.

I order temp plates and registration renewals about twice a week from Fry Title for our rental cars and they provide such a valuable service to our company. I can call ahead or send an email with 75 registration renewals and show up with a check when they are ready. They are fast and convenient and save us time by allowing me to email a list of temp plates needed to get new vehicles on the road. If the title companies are forced to close in January that would mean one of our employees would have to wait at the tax office all day and we are all too busy to do that. The tax office won't provide the friendly customer service that the staff at Fry Title does.

Fry Title is close to my office and will even deliver our plates or registration stickers. We have a fleet of about 600 vehicles that I am always ordering replacement plates, temp plates, or renewals for. Please consider the impact that closing the title companies will have on all of the businesses that rely on them.

We don't have the time or the manpower to sit in line at the tax office for a few hours a day to order temporary tags for vehicles that were just delivered. Therefore we would not be able to get those cars on the road and they will sit which means we would lose revenue and customers might not be able to get the rental car they reserved.

Please do not force the title companies to close in January.

Thank you,

Shelby Sumerlin

Clearwater Transportation LTD.

DBA,Hertz/ Dollar/ Thrifty Car Rental

(512)-530-2281 *Office*

(512)-530-2286 *Fax*

ssumer@Clearwatertransportation.net



From: [Erika Wesson](#)
To: [Zz - Resource - GCO Rules](#)
Subject: FRY AUTO TITLE
Date: Friday, May 06, 2016 12:23:01 PM

Please do not close Fry Auto Title. I've been going to them for years. It's very nice to not have to go down town & convenient for a lot of people. The staff is great & very knowledgeable.

Please do not force them to close. It makes no sense at all.

Sincerely, Erika

From: [Annette Rose](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Vote NO on proposed rule change for auto title transactions
Date: Saturday, May 07, 2016 7:26:08 PM

I understand that the state is trying to change the rules for privately owned auto title companies by limiting the fee they can charge people who choose to use a private vendor. Reducing the fees will put these private companies out of business. The state then will have to hire more people to handle the additional business. That increase in state employees will put the burden on ALL tax payers. This change will raise taxes for EVERYONE instead of those people who make the CHOICE to pay a convenience fee. This rule change takes the choice to pay additional money for convenience out of the hands of the people and forces a tax for all of us. I vote NO for this rule change. Give people the right to make their own choice on how they spend their hard earned money.

Annette Rose
Temple, TX

From: [Jane](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Title services for autos
Date: Monday, May 09, 2016 2:52:28 PM

To whom it may concern.

I would like to be able to use my neighborhood privately owned title services . It is convenient and so easy use.
Please keep it open. I am a senior citizen and do not want to drive all over town and wait in long lines. Thank you,
Jane Zuniga

Sent from my iPad

TO: TxDMV - Chapter 217 Proposed Rule on Full-Service Deputies & Fees:

ATTN: David D. Duncan, General Counsel, Texas Department of Motor Vehicles, 4000 Jackson Avenue, Building 1, Austin, Texas 78731

As a customer, I am a supporter of private title services to process my title and registration needs, and do not object to their service prices currently being charged. I believe that law changes that would regulate their prices and would force them to permanently close the business are not warranted.

NAME:

STEVE SMITH

ADDRESS:

1100 Appaloosa Run
Austin TX 78737

RECEIVED

MAY 10 2016

TxDMV

OFFICE OF GENERAL COUNSEL

Comments:

Let the market decide if private businesses are charging too much. Please. I use Fry's Title Services because: 1) it is located conveniently near me, 2) I don't have to wait nearly as long in line to get helped, and 3) their fees are cheap for the convenience they provide.

TO: TxDMV – Chapter 217 Proposed Rule on Full-Service Deputies & Fees:

ATTN: David D. Duncan, General Counsel, Texas Department of Motor Vehicles, 4000 Jackson Avenue, Building 1, Austin, Texas 78731

As a customer, I am a supporter of private title services to process my title and registration needs, and do not object to their service prices currently being charged. I believe that law changes that would regulate their prices and would force them to permanently close the business are not warranted.

NAME: Christopher Pallas

ADDRESS: 8602 Cullen Ln.

Austin, TX 78748

Comments:

RECEIVED

MAY 11 2016

**TxDMV
OFFICE OF GENERAL COUNSEL**

NOTE: Department received 552
individual signed preprinted
forms.

From: [Dana Combs](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Rule Proposal on Ch. 217 Affecting Full-Service Deputies
Date: Friday, May 13, 2016 4:28:04 PM

To whom it may concern,

I would like to just say our company is completely aware of the pricing schedule for Universal Title Company and find paying these fees to be well worth the time and effort it saves us. Personally I find the company to be approachable and extremely knowledgeable and would feel at a disadvantage if we were unable to continue using their services. Thank you-Dana

Dana Combs
Receptionist / Admin Assist.
Apple Sport Imports
11129 RR. 620 N.
Austin, Tx 78726
(p)512-335-4000
(F)512-219-6695
www.Applesi.com

From: Kathy
To: Zz - Resource - GCO Rules
Subject: Fwd: Letter from Auto Title Service customer
Date: Saturday, May 14, 2016 8:56:01 PM
Attachments: sherry.docx
ATT00001.htm

Begin forwarded message:

From: Sheri [REDACTED]
Subject: Fwd: Letter
Date: May 14, 2016 at 12:17:28 PM CDT
To: [REDACTED]

Sheri
[REDACTED]

-----Original Message-----

From: Robin Griffin [REDACTED] >
To: [REDACTED]
Sent: Fri, May 13, 2016 10:01 pm
Subject: Letter

Sherry,
Here is my letter. I hope this helps and I want to thank you soooooooooo much for always being there and helping me.

Mr. Duncan,

This is my personal letter of recommendation to the Oak Hill Title Services, who is owned by Sherry and Mary Pillard. I started at a dealer ship in January 2015, at that time they were doing all of the title work for Clay Cooley Nissan of Austin, they have helped me so much, they did the title work on a timely manner.

Since November 2015, Clay Cooley Nissan of Austin started WebDealer, although it is a good thing because we can process the plates in house, however, we sell a lot of vehicles and I cannot process all of the plates on a timely manner. The process of WebDealer, I feel, is slower than sending out the title work. Actually, this week we have sent out some of our title work to Oak Hill Title Services to help me get caught up.

I feel that it would be a mistake to make these title companies raise their prices, it could potentially run them out of business. With their knowledge and professionalism they are an asset not just to car dealerships, but to the community. Please reconsider this and as well consider my letter.

Thank you for taking your time to read this.

Robin Griffin
Title Clerk

From: store2416@theupsstore.com
To: [Zz - Resource - GCO Rules](#)
Date: Monday, May 16, 2016 9:31:12 AM

Dear Sirs, I have used Fry Auto Title(my neighbor) for many years and do not mind the convenience charge- my time is very valuable! What is your agenda? As a taxpayer I ask why you are breaking a working system. Harry Lipp, mgr. ups store 2416

EAN Holdings, LLC
4210 South Congress Avenue
Austin, TX 78745
enterpriseholdings.com

May 13, 2016

Mr. David D. Duncan
General Counsel, Texas Department of Motor Vehicles
4000 Jackson Avenue, Building 1
Austin, Texas 78731

Re: Comment on bonding limits in proposed rules in 43 TAC Sec 217.161-217.168

Dear Mr. Duncan:

On behalf of EAN Holdings, LLC (dba Enterprise, Alamo, and National rental car brands), I want to thank you for the opportunity to provide the following comment on proposed amendments to Chapter 217 of the Texas Department of Motor Vehicles rules relating to Deputies, published in the April 22, 2016 Edition of the Texas Register.

Currently, the business units of EAN Holdings, LLC work in cooperation with a number of local tax assessor-collector offices in Texas and, by region, are authorized to perform initial title and registration services as deputies of the local tax office. The business units hold General Distinguishing Numbers with the Department and are also classified as commercial fleet buyers pursuant to Transportation Code, §501.0234. These relationships are mutually beneficial, allowing the several EAN business units to manage titling and registration while relieving local tax offices of processing burdens associated with a large vehicle fleet.

Under the proposed amendments to Chapter 217, EAN business units should qualify under the Dealer Deputy category listed in §217.166. For the sake a clarity, EAN would like to respectfully request that the definition of a dealer deputy proposed in §217.162 – Definitions, Subsection (2) Dealer Deputy, be amended to additionally include commercial fleet buyers, as defined by Transportation Code, §501.0234(b)(4), in order to accurately reflect the current classification provided by statute.

Furthermore, EAN would like to respectfully request that the maximum permissible bonding limit for dealer deputies in proposed Subsection (c) of §217.167- *Bonding Requirements* be increased from \$2,000,000 to \$5,000,000. The reason for this request is that the current EAN bond in force in at least two Texas locations exceeds the amounts listed in the proposed rule. The requested maximum bonding limit would accommodate what is in place today with the tax offices in Dallas County and Harris County with an additional allowance to address the foreseeable need to increase initial titling and registration authorizations.

If the bonding limits in the rules are adopted as proposed in the Texas Register, they would conflict with the agreements we currently have in place with local tax offices. Bonding amounts are a function of the number of outstanding titling and registration authorizations allowed by each tax office. Maintaining the level of these authorizations is crucial to our ability to process titling and registration for the more than 100,000 vehicles in our fleet and keep them in service to meet the needs of Texas consumers. If our current bonding level is reduced to match the proposed rule, our ability to keep vehicles in service will be significantly reduced.

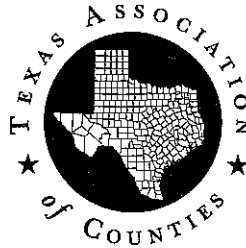
I want to thank you and the Department again for the opportunity to provide comment on the proposed rules in Chapter 217. I hope the Department will consider and take action on the requested higher allowable maximum bond amounts from EAN included in this comment so that we can continue the agreements in place with local tax offices and accommodate the demand for rental vehicles.

If I can provide further information or be a resource in any way, please do not hesitate to contact me at 512-912-5321 or the address listed above.

Sincerely,

A handwritten signature in dark ink, consisting of a series of loops and a long horizontal stroke, positioned below the word "Sincerely,".

Don Schwent
Group Controller – North Texas/Austin Division



RECEIVED

MAY 16 2016

**TxDMV
OFFICE OF GENERAL COUNSEL**

May 9, 2016

David D. Duncan, General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, TX 78731

RE: Proposed Rule Amendments Regarding Vehicle Titles and Registration (43 TAC, Ch. 217)

Dear Mr. Duncan:

On behalf of the Texas Association of Counties (TAC), which serves as a unified voice for all Texas counties and county officials, I am writing to express concerns regarding the proposed rule changes within Chapter 217 of Title 43 of the Texas Department of Motor Vehicles (TxDMV) rules.

A number of counties have expressed to us their concerns that the rules, as proposed, will cost these counties significant revenue. Your agency will be receiving comments regarding this from county officials and other county official associations.

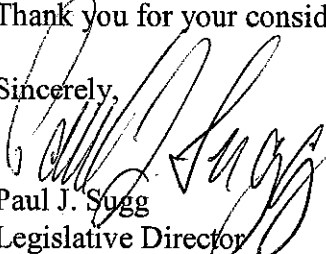
I encourage the TxDMV Board to consider seriously each of the comments provided by county officials, and other county official associations, regarding the impact of these rule changes. Texas has a strong tradition of recognizing local control, and as a result the proposed rules will impact counties to differing degrees.

I also encourage the TxDMV Board to seek out the thoughts and opinions of affected county officials during the rule drafting period. The Texas Association of Counties would be glad at any time to assist TxDMV with those outreach efforts in order to provide the most complete picture of the county impact of proposed rule changes.

House Bill 2202 of the 83rd Legislative Session, which provided the discretion to TxDMV for these proposed rule changes, received wide support from county organizations. This support was based partly on reliance that the TxDMV Board would be responsive to county concerns in our mutual quest to provide effective service to the citizens of Texas.

Thank you for your consideration. If I can ever be of assistance please do not hesitate to call.

Sincerely,


Paul J. Sugg
Legislative Director
Texas Association of Counties

From: [Tammy Green](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Rule Proposal Chapter 217
Date: Tuesday, May 17, 2016 2:29:23 PM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)

Please do not close down Universal Title. I have been going there for many years and they provide an excellent service. Their people are amazing and their prices are very fair. There are employees who have worked there for **30 years** that are ***at risk of losing their jobs.*** We should have a right to choose where we purchase state mandated registrations. I am aware of the price schedule and think it is reasonable.

Respectfully,

Tammy Green
512.663.7034

Tammy Green



Kristynik Hardwood Flooring, Inc.

PO Box 82736
Austin, Texas 78708
512.238.8035 Office
512.238.8078 Fax
tammy@kristynik.com
www.kristynik.com



From: C.A. Shierlow
To: Zz - Resource - GCO Rules
Subject: Rule Proposal on Ch.217 affecting full-service deputies
Date: Tuesday, May 17, 2016 3:15:36 PM

To Whom It May Concern,

I am aware of the price schedule as provided by many of the independent small businesses which provide Excellent service to the general public. As a matter of fact, it is my opinion that they should "Raise" their pricing in order to continue to provide their excellent level of service and provide for their employees. LET THE FREE MARKET WORK !!! If you have a better mouse trap people will come! Obviously, people choose out of convenience and professional courtesy of the independent small business to have their automobile title and licensing needs performed by them. We the people have to right to choose without government intervention medaling in private industry as to where and who we do business with. Leave Small Business alone and let the free market determine where people choose to spend their money!

Regards,

CAS



Bruce Stidham

*Tax Assessor-Collector
Grayson County, Texas*

Mr. David Duncan, General Counsel
Texas Dept. of Motor Vehicles
4000 Jackson Ave.
Austin, TX 78731

18 May 2016

RE: Sec. 217 Proposed Subchapter I – Fees, Even Trade,
Sec. 217.40 – Even Trade
Sec. 217 Subchapter H – Deputies

Dear Chairwoman Ryan and Board Members

I am writing in response to the proposed changes being made by the Texas DMV Board of Directors and how these changes will have a negative impact on our county. We have four offices here in Grayson County. Last year our combined offices completed over 180,000 Department of Motor Vehicle related transactions.

Sec. 217 Subchapter I - Fees

There are several proposals which we strongly disagree with. First, we feel that the proposed fee schedule for registration renewal is unfair. Those who prefer to renew their registration in person are being unfairly charged a higher fee than those choosing to use the internet. We certainly do understand the DMV's efforts to streamline the renewal process, which cuts the fee substantially to the county and also brings up the question of whether the DMV has the statutory authority to relieve the County Tax Assessor-Collector of the responsibility of processing registration renewals via the internet. Sec. 520.005 of the Transportation Code clearly states "*each county tax assessor-collector shall process a registration renewal through an online system designated by the department*" (i.e. the TxDMV).

In the proposal presented, the County Tax Assessor-Collector's office would still perform the same services (minus the internet renewals) at a reduced commission rate while the DMV benefits from the increased revenue generated from the work performed in our offices. This means less revenue for our county. Over the next 5 years, it is estimated that Grayson County alone will see a loss of nearly \$129,000 in commissions. Please consider the ramifications of other counties losing substantially more in commissions. It is interesting to note that in the materials provided regarding the proposed changes, "Financial Impact" is listed as "None". That may be the case for the department, but obviously not for the counties who will be feeling the loss.

We also have concerns which the DMV must consider, that under the Texas Constitution, the County Tax Assessor-Collector is personally liable for all money that flows through our office, whether those funds are collected directly by the Tax Assessor-Collector or their duly appointed deputies. That liability can only be removed or released by the District Judge on a case by case basis.

Sec. 217.40 – Even Trade

Grayson County borders Oklahoma along the Red River. On many occasions, people from our county go out of state or even trade with others on Craigslist. Many of these trades are done on the weekend when both parties can meet for the trade. We have always required both parties to sign Form 130-U and the title for an even trade. To require both parties to be present at the county tax office, except for medical reasons and with a doctor's written statement, seems a little excessive. We are totally opposed to this proposal and strongly urge reconsideration.

Sec. 217 Subchapter H – Deputies

We are opposed to the DMV having the ability to approve who the Tax Assessor-Collector enters into a Full Service Deputy Agreement with. Please remember, it is the Tax Assessor-Collector who has the personal liability and not the Texas Department of Motor Vehicles. Also, the DMV should not have any authority to terminate any agreement entered into by the tax assessor-collector and a Full Service Deputy. As the elected county tax assessor -collector, I take my constitutional responsibilities very seriously.

I hope this letter helps the board to more clearly see and understand our concerns as County Tax Assessor-Collectors.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bruce Stidham". The signature is stylized with a large, looped initial "B" and a cursive "Stidham".

Bruce Stidham

Office of Tax Assessor - Collector
COUNTY of HIDALGO

Pablo "Paul" Villarreal, Jr. R7A



May 17, 2016

David D. Duncan
General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue, Building 1
Austin, TX 78731
rules@txdmv.gov

Auto License
2804 S. Bus. Hwy 281

P.O. Box 178
Edinburg, Texas 78540-0178
Ph. (956) 318-2158 • Fax (956) 318-2191

Subj: Public Comment on Proposed DMV Rule change

Dear Mr. Duncan,

This is in response to the new rules being proposed by TxDMV currently posted in the Texas Register with the Secretary of State. Because these rules concern the commissions paid to the Tax Collector's office, we feel it is vital for us to comment on these proposals. The Tax Assessor Collector Association will send a formal response, but we feel we should send our own comments on the rules as well.

Public Comment on proposed DMV rule changes Section 217.163

New Contract agreements with Full Service Deputies will need to be re-negotiated to enter in to a three-party agreement adding the department. We do not feel there is a need for DMV to exist in the agreement because there is not a personal liability for the department. If the department is included, you must make the regional offices available to answer questions from full service deputies about registration and titling issues instead of forwarding those questions to the main office of each county.

Public Comment on proposed DMV rule changes Section 217.165

We feel this section is redundant and is not needed being that there are already rules in place for Limited Service Deputies. The same rules would apply whether the business is an inspection station or general business.

Public Comment on proposed DMV rule changes Section 217.167

New Contract agreements will need to be negotiated with all dealers to increase their bonds to \$100,000. Our office only goes into agreements with franchise dealerships. The current bond amount required is \$5,000. Additional costs for higher bond amounts will discourage participation in the WebDealer program. Some franchise owners have multiple general distinguishing numbers (GDN).



Tax Office Sub-Stations

1429 S. Tower Rd. Alamo, TX 78516 (956) 784-8688 Fax (956) 784-3539	509 E. Earling Rd. San Juan, TX 78589 (956) 283-1645 Fax (956) 283-1855	1902 Joe Stephen Ste. 201 Weslaco, TX 78596 (956) 973-7825 Fax (956) 973-7829	722 N. Breyfogle Rd. Ste. 104 Mission, TX 78574 (956) 581-8898 Fax (956) 580-7425	300 W. Hall Acres Rd. Ste. C Pharr, TX 78577 (956) 784-3555 Fax (956) 784-3556
--	--	--	--	---

Public Comment on proposed DMV rule changes Section 217.168

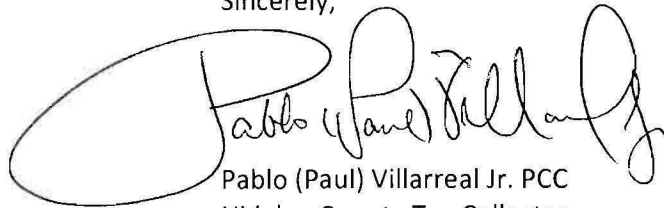
There has to be clarification on what will be the cost of the processing and handling fee. The P & H fee should not lower the current \$1.90 revenue commission retained by the County. This not only affects the Tax office budget but the entire County Budget. Adding the P&H Fee will increase the amount our citizens would have to pay for each renewal. Explaining this to our constituents may be a challenge. The printing of new amounts on the renewal forms with the new amounts due depending on what office you visit may cause confusion. Will liabilities be created in order to reimburse any contractors for their share of the P&H fee? There will need to be Re-training of the accounting and bookkeeping staffs.

Public Comment on proposed DMV rule changes Section 217.29

There is no statutory authority to make changes to the current internet renewal process from the County Tax Office. Our county deputies must check an internal Scofflaw Database of individuals that have citations due to our Municipalities, Justice of the Peace, County and District Courts. This needs to be done before the renewal is approved. Even with the state scofflaw program in place, there is not enough information on the citations with matching Vehicle Identification Numbers or License Plate numbers for the program to be effective. Is the proposed system still going to allow the county to decide if renewal will be allowed?

Please take these comments with the great consideration as it will affect future procedures and policies that must be put in place.

Sincerely,

A handwritten signature in black ink, appearing to read 'Pablo (Paul) Villarreal Jr.', written over a large, loopy oval shape.

Pablo (Paul) Villarreal Jr. PCC
Hidalgo County Tax Collector

PV:SC:EM:JE

Cc: Carlos Cascos, Texas Secretary of State
Cc: Ramon Garcia, Hidalgo County Judge
Cc: A.C. Cuellar, Hidalgo County Commissioner Precinct 1
Cc: Eduardo "Eddie" Cantu, Hidalgo County Commissioner Precinct 2
Cc: Joe M. Flores, Hidalgo County Commissioner Precinct 3
Cc: Joseph Palacios, Hidalgo County Commissioner Precinct 4



RUBEN P. GONZALEZ
El Paso County Tax Assessor-Collector
301 Manny Martinez, Dr., 1st floor
El Paso, Texas 79905
Phone: (915) 771-2300
Fax: (915) 771-2360

May 16, 2016

David D. Duncan, General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue, Building 1
Austin, TX 78731

Re: Proposed Rules - Chapter 217 Vehicle Title and Registration

Dear Mr. Duncan,

Please accept this letter and the attached Resolution approved by the Commissioner's Court of El Paso County on May 16, 2016 as testimony that El Paso County is **OPPOSED** to the Compensation and Processing and Handling Fee Amounts as stated in the new proposed Subchapter I, Fees; §217.181, Purpose and Scope; §217.182, Registration Transaction; §217.183; Fee Amount, §217.184, Exclusions; and §217.185, Allocation of Processing and Handling Fee.

El Paso County does not believe that these processing and handling fees will cover the expenses of collecting registration fees to the benefit of El Paso County. The fees do not support the department's mission to serve, protect and advance the citizens and industries in this state with quality motor vehicle related services. To the contrary, it is likely that this proposed compensation and fee structure will be a detriment to County Government and the industry that provides the very services the department has pledged to promote and protect. These "quality" services cannot be provided at the compensated rates proposed for reasons as listed below.

The increased fees for walk in registrations from \$1.90 to \$2.30 are not adequate after adjusting the dollar for inflation. The County compensation of \$1.90 went into effect in 1991 and with a correction for inflation using the CPI index the amount should be no less than \$2.72 and not the proposed \$2.30. This 18% difference is needed just to keep up with rising costs across all spectrums. We also need to keep the DMV rates adjusted to the CPI index as it changes going forward and not wait another 25 years. The combined proposed fee changes alone, to just El Paso County would have an immediate negative revenue impact of \$438,000 a year. This amount of budgeted revenue decrease would have to be made up from the El Paso County tax payers each year going forward and the shortfall would likely grow along with the continued growth in County registrations.

Equal Opportunity Employer

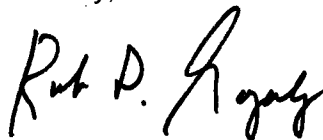
The Full Service Deputy impact would be closer to a reduction of \$1.48 million a year in revenue to this local industry. This type of impact would be a catastrophe and could force many if not all of them to close doors and stop operations. These numbers do not reflect the potential elimination of that industry and their 54 employees. The impact to the County would be significant in the sense that we would have to double our motor vehicle staff in order to absorb the work that the Full Service Deputies perform. If Full Service Deputies close their doors the County would have to consider hiring an estimated 34 additional Vehicle Title Clerks with a salary budget of \$1.26 million per year.

The County would also have to find additional space to house any new employees brought on by the Full Service Deputy closures. The estimated cost to construct new facilities would be another \$1.5 million to \$2.5 million. All these additional costs would have to be passed on to the tax payers of El Paso County in the form of increased property tax. Along with the proposed cost increases, the El Paso County tax payers would have to endure long lines and greatly reduced customer service in direct opposite of the intention of House Bill 2202. The Full Service Deputies currently process 51.54% of all registrations in the County. We have eleven Deputy locations throughout the County. Lack of accessibility would also be a major hardship to the tax payers of this County.

In summary the proposed fees would create an unnecessary economic burden on the County, Full Service Deputies and the Public. The DMV's intention to use the Internet for tax payers convenience and ease is not as applicable to our County since a large portion of the tax payers may not have access to those mediums. In this border community the norm is to pay for these types of transaction in person and in cash. In essence there is minimal benefit in providing internet registration services to this community's tax payers and businesses and we would prefer to not participate in the State Internet services.

We strongly urge you to not adopt the recommendations as stated in your Chapter 217 Proposed Rules except for the cessation of the mandatory seven year plate replacement policy. We further recommend that the DMV Board gives serious consideration to adopting a fair CPI indexed fee for County and State budgeting purposes. This fee should be adjusted annually to the CPI going forward. It would allow the County to maintain motor vehicle services using our business "best practice" ideals without incurring additional expense to this community's detriment. We are eager to work with the DMV as a partner in achieving these goals but not on the shoulders of the local El Paso County tax payers.

Sincerely,

A handwritten signature in black ink, appearing to read "Ruben P. Gonzalez". The signature is fluid and cursive, with the first name "Ruben" being the most prominent part.

Ruben P. Gonzalez
El Paso County Tax Assessor-Collector

Enclosures

EL PASO COUNTY REVENUE PROJECTIONS UNDER DMV PROPOSAL

	Percentage	Current (2016)	Projected 2016 Quantity	Proj 2016 Revenue
Walk In	29.68%	\$ 1.90	195,609	\$ 371,658.01
Internet	12.85%	\$ 2.90	84,682	\$ 245,577.33
Mail	5.93%	\$ 2.90	39,079	\$ 113,328.68
Full Service Deputy	51.54%	\$ 1.90	339,632	\$ 645,301.67
Permits		\$ 1.90	59,486	\$ 113,022.86
	100.00%		718,488	\$ 1,488,888.55

	Percentage *	Projected (2017)	Projected 2017 Qty **	Proj 2017 Rev
Walk In	34.68%	\$ 2.30	231,988	\$ 533,572.41
Internet	12.85%	\$ 0.25	85,952	\$ 21,488.02
Mail	5.93%	\$ 2.30	39,665	\$ 91,229.59
Dealer Deputy	7.50%	\$ 1.30	50,149	\$ 65,193.70
Full Service Deputy	39.04%	\$ 1.30	261,134	\$ 339,473.87
			60,378	\$ -
	100.00%		729,266	\$ 1,050,957.59

* A 5% increase to TAC office from Full Service deputy due to the opening of two new TAC locations

Change in Fee Effect	2017 less 2016
Walk In	\$ 161,914.40
Internet	\$ (224,089.31)
Mail	\$ (22,099.09)
Dealer Deputy	\$ 65,193.70
Full Service Deputy	\$ (305,827.80)
Permits	\$ (113,022.86)
Revenue 2017 less 2016	\$ (437,930.96)

** A 1.5% increase in registrations/renewals over last year

FULL SERVICE DEPUTIES PROJECTIONS

Process	Proj FY 2016 Qty	Current Fee	Proposed Fee	Diff in Revenue
Registrations/Renewals	337,968	\$ 8.00	\$ 5.00	\$ (1,013,904.00)
Replacements	8,904	\$ 10.00	\$ -	\$ (89,040.00)
Permits	35,348	\$ 15.00	\$ 5.00	\$ (353,480.00)
Duplicates	1,932	\$ 4.00	\$ -	\$ (7,728.00)
Inquires	876	\$ 4.00	\$ -	\$ (3,504.00)
Renewals				
W/Replacement	1,800	\$ 15.00	\$ 5.00	\$ (18,000.00)
Total estimated FSD Impact				\$ (1,485,656.00)

WHEREAS, the Board of the Department of Motor Vehicles is proposing rule changes to Chapter 217, Texas Administrative Code, regarding vehicle title and registration fees; and

WHEREAS, legislative discussions on the legislation authorizing the change from a statutory fee schedule to a fee schedule set by the agency included assurances that the change would not result in a revenue loss to counties; and

WHEREAS, in the case of El Paso County, the proposed fee schedule appears to violate that understanding; and

WHEREAS, the study acknowledges concerns raised in high growth counties that the compensation fees already do not match the increases in transaction volume over time; and

WHEREAS, the TTI study also indicates that the proposal will cost counties more than the revenue provided, requiring counties to subsidize the vehicle registration and title process; and


WHEREAS, despite assurances that the proposed rules would offset the revenue loss to counties, the department's own data indicates that the proposed changes will result in a net loss of revenue to El Paso County of approximately \$438,000.00; and

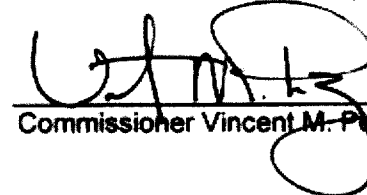
WHEREAS, in the event full service deputies consider closing their operations, the total personnel cost to El Paso County to cover the services performed by these deputies could result in up to \$1.26 million dollars in additional personnel cost, and this will also require funding to construct a facility to house the additional staff at an approximate cost of \$1.4 million dollars; and

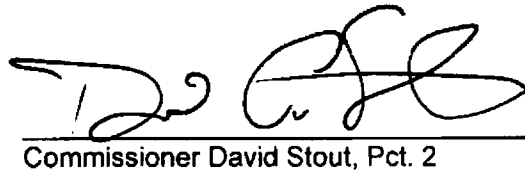
WHEREAS, an arbitrary cap on the amount that title service providers may charge also threatens that successful public-private partnership, which will increase county costs to perform this function if the title service providers cease to operate;

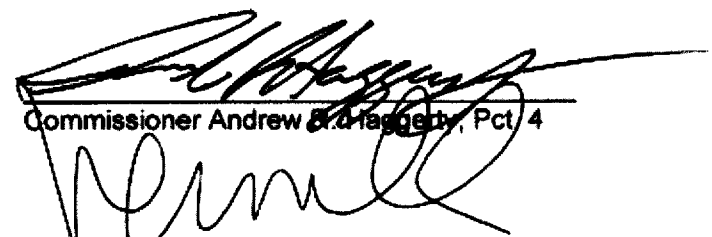
NOW, THEREFORE, BE IT RESOLVED THAT the El Paso County Commissioners Court opposes final adoption of the proposed rules changes to Chapter 217 unless fees to be retained by counties are adequate to cover the costs and prevent an unfunded mandate; and be it further resolved that fees retained by title service providers not be arbitrarily capped preventing those service providers from saving counties money.

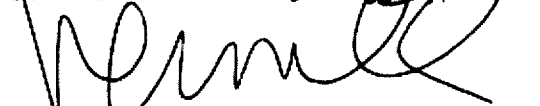
Signed, this 16th day of May 2016



Commissioner Carlos Leon, Pct. 1

Commissioner Vincent M. Perez, Pct. 3

Commissioner David Stout, Pct. 2

Commissioner Andrew A. Haggerty, Pct. 4


Veronica Escobar
County Judge

El Paso County Tax Office

Revenue Source	FY 2014-15
Registrations Services	\$ 1,920,608.75
Titling Services	\$ 921,480.00
Total Reg/Title Revenue	\$ 2,842,088.75

Expense Source	FY 2015-16
Labor Cost for Reg/Title Services	\$ 2,494,273.16
Operating Cost (Budget)	\$ 161,664.30
Back Office	\$ 330,123.72
19.17% Overhead Rate for Building Etc	\$ 478,152.16
Total Reg/Title Expense	\$ 3,464,213.34

Net Income/(Loss) for the Reg/Title Service \$ (622,124.59)

	Titles	Reg.
<i>El Paso TAC Qty for FY 2014/15</i>	184,304	646,081

	TAC Office
Expense	\$ 3,464,213.34
Transaction Quantity	830,385
Cost per Transaction	\$ 4.17

	TAC Office
Revenue	\$ 2,842,088.75
Transaction Quantity	830,385.00
Revenue per Transaction	\$ 3.42

Diff of Revenue minus Expense p/Trans \$ (0.7492)

	Titles
Missing amount	\$ 0.75
Fee Charged	\$ 5.00
New Fee for Titles	\$ 5.75
Titles Qty	184,304.00
Total Revenue for Titles	\$ 1,059,560.59

	Registration
Missing amount	\$ 0.75
Fee Charged	\$ 2.97
New Fee for Registration	\$ 3.72
Registration Qty	646,081
Total Revenue for Registrations	\$ 2,404,652.75

New Revenue that matches expense

\$ 3,464,213.34

Tot Trans

830,385

BECKY WATSON FANT, PCC
Cass County Tax Assessor-Collector



P.O. Box 870
Linden, Texas 75563
(903) 756-5513

May 18, 2016

Texas Department of Motor Vehicles
David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, Texas 78731

Re: Chapter 217, Proposed Change Subchapter H, Deputies

Dear TxDMV Board:

Recently, TxDMV proposed several changes to Subchapter H relating to Deputies. Most of the proposed changes are to develop classifications of deputies and their duties. I am concerned that TxDMV wants the authority to approve or deny agreements for deputies. The County Tax Assessor-Collector, in conjunction with Commissioners Court, should have sole authority on approving or revoking agreements for deputies. The Deputy relationship is established at the will of the County Tax Assessor-Collector to benefit the citizens of the county.

The process of collection and remittance of motor vehicle title and registration fees is an important part of the county tax office statutory function. Under the Constitution of the State of Texas, the County Tax Assessor-Collector is personally liable for all funds collected by their office, regardless of whether collected by a deputy or directly by the County Tax Assessor-Collector. That liability may only be released by a District Judge on an individual, case by case basis. Therefore, the deputy relationship should be at the discretion of the County Tax Assessor-Collector.

The proposed rule, Section 217.165 creates Inspection Deputies. I believe this section is redundant. The Limited Service Deputy category would suffice for this type of business.

Respectfully yours,

Becky Watson Fant, PCC
Tax Assessor-Collector



Brazoria County Tax Office

Ro'Vin Garrett, PCC
Tax Assessor-Collector

Brazoria County
111 E. Locust
Angleton, Texas 77515-4682

May 17, 2016

Texas Department of Motor Vehicles
% David D. Duncan, General Counsel
4000 Jackson Avenue
Austin TX 78731

Re: Proposed TAC, Chapter 217 Amendment to Subsection 217.2-217.5, 217.7, 217.26, 217.33, 217.40, 217.43, 217.45, 217.46, 217.54, 217.55, 217.88, and 217.123
Proposed TAC, Chapter 217, new Subchapter J, Performance Quality Recognition Program, Subsection 217.201-217.207
Proposed TAC, Chapter 217, Subchapter H, Deputies, Sub Section 217.161 Amendment and new Subsection 217.162-217.168
Proposed TAC, Ch. 217, New Subchapter I, Fees, Subsection 217.181-217.185; Amendments to Subsection 217.23, 217.24, 217.29, 217.32, 217.52, 217.53, and 217.72; and Repeal of Subsection 217.31

Chairwoman Ryan and DMV Board Members:

Before proceeding with specific comments, the TxDMV Board must consider, under the Constitution of the State of Texas, the County Tax Assessor-Collector is personally liable for every dollar that is required to flow through their office, whether those funds are collected directly by the Tax Assessor-Collector or their appointed deputy. That liability may only be released by a District Judge on an individual, case by case basis. The process of collection and remittance of motor vehicle title and registration fees is an important part of the county tax office statutory function. County Tax Assessor-Collectors take this responsibility and their constitutional liability very seriously.

In an effort to be brief, the following represent my comments on the rules as proposed:

- Section 217.40, New Section 6(e) relating to Even Trade of a motor vehicle creates an onerous process for the public, has no guidance for motor vehicle dealers, and could possibly be a violation of Federal HIPPA laws. A better process could be one similar to that of a gift of a motor vehicle, or to require both title transactions be done at the same time. Simultaneous transfers may make those considering fraud think twice about the even trade in the first place. The Comptroller of Public Accounts should be consulted, as this is a sales tax issue.

- It was my honor to be a member of the working group that attended several meetings in Austin to formulate and bring the New Subchapter J, Performance Review/Recognition Program rules to this board for posting. However, I was disappointed to see one rule that was presented for posting without the language as agreed upon at the working group's last meeting. Section 217.204(d) should be deleted and the language in 217.204(c)(2) amended. The Tax Assessor-Collector that has had a recognition status revoked due to accusation or other circumstances **and is exonerated** should not have to be re-elected to be eligible for reinstatement of their previously awarded recognition. They should be allowed to follow the same procedure as the Tax Assessor-Collector whose recognition was demoted to a lower level.
- Section 217, Subchapter H – Deputies. These changes give TxDMV authority to approve Full Service Deputy agreements between the Tax Assessor-Collector and the Full Service Deputy, and to terminate said agreements. As TxDMV has no personal liability, there should be no authority for TxDMV's approval or termination of Full Service Deputies. If TxDMV has knowledge of a "bad actor" full service deputy the rules should require TxDMV to immediately contact the Tax Assessor-Collector for resolution.
- Section 217.165 – Inspection Deputies. This new section should be deleted as redundant and unnecessary
- Section 217, Subchapter I – Fees. **There should be no reduction in the current fees received by counties for registration/registration renewal, whether performed through online, walk in, mail in or through County Tax Assessor-Collector Deputies. TxDMV should not build a self-funded state agency by reducing revenue at the county level.**
- All deputies should remit all funds collected, including any processing and handling fee, to the County Tax Assessor-Collector to account for all funds required to be collected from the customer.
- As per Section 520.005 of the Transportation Code, **TxDMV does not have statutory authority to relieve County Tax Assessor Collectors from any of the duties required to process registration renewal through the internet. Changes for Subsection 217.29 should be deleted.**

You may expect some form of comment from the Commissioners Court of Brazoria County, as these rules pose a serious threat to county revenues and county services provided to our citizens. These are my personal comments as the Tax Assessor-Collector of Brazoria County and the one person "personally liable" for the collection, documentation, and distribution of motor vehicle registration fees collected on behalf of the state of Texas through Brazoria County Tax Office.

It is my hope the relationship between TxDMV and County Tax Assessor-Collectors of our great State continue for many more years as we strive to work together for the good of all Texas citizens.

Sincerely,



Ro'Vin Garrett, PCC
Tax Assessor-Collector
Brazoria County, Texas

RECEIVED

MAY 19 2016

**TxDMV
OFFICE OF GENERAL COUNSEL**

David D. Duncan
General Counsel, Texas Department of Motor Vehicles

Dear Mr. Duncan,

I am writing today in regard to proposed changes to the Texas Administrative Code, which would place limits on the convenience charges collected by private title service companies.

While Texas residents can always go straight to the State to obtain these services, many, many such title service companies exist as a convenience to the title holder.

As these companies must make money to pay their employees, cover rent, utilities and of course make a profit, they necessarily impose a surcharge over what one would pay when using the State directly.

There is nothing wrong with this approach, as should a company attempt to impose too high a convenience charge, they would find very few customers and soon go out of business. This is basic capitalism in action.

Our household has happily used one of these companies for over thirty years, and we expect to continue doing so. The extra cost is negligible and more than made up by the convenience.

Small businesses are the core of our economy, and should these change go into effect the State will ultimately be hurting itself, these businesses, their employees, and property owners.

Without these companies, employees will be out of work and may have difficulty finding a new vocation, putting a drain on unemployment funds; the State will incur extra cost in shipping license plates and documentation for web users; the buildings they have occupied - some for decades - may be left vacant for extended duration, causing property owners to lose rent revenues, and the State to see diminished property tax collections.

Also important to consider is the increased difficulty many Texas residents will have in getting their title needs accomplished. Though we are in the internet age, some people do not prefer to use that method for renewing services, or may simply not have the time to wait for new plates, etc. to be delivered. Having to leave work, go across town and wait in line at an actual State office will be a waste of both time and money, and introduce an undue burden upon the citizens you are sworn to serve.

Just this week we went to our local title company to replace a license plate which had recently gone missing. The office is less than five minutes from our house, and we were in and out of there in that same amount of time. Did we pay extra? Yes. Were we dissatisfied in doing so? Absolutely not.

I implore you: please do not let these changes go through. You will be hurting many small businesses which rely upon the convenience charges to prosper, cause the State to ultimately lose revenue, and make it more difficult for Texas residents to accomplish their title services.

Sincerely,



Carl Pearson
3204 Cupid Drive
Austin, TX 78735

L.M. "Matt" Sebesta, Jr.
County Judge



Cathy Hughes
Chief Administrator

BRAZORIA COUNTY

May 18, 2016

David D. Duncan, General Counsel
TDMV
4000 Jackson Avenue, Building 1
Austin, Tx 78731

Dear Sir:

Brazoria County is opposed to the proposed rule changes to Chapter 217, Texas Administrative Code, regarding vehicle title and registration fees. These proposed changes would adversely affect the County's revenue stream in the amount of over \$1,000,000 over a five year period.

Although Brazoria County does not utilize title service providers, an arbitrary cap on the amount that title service providers may charge also threatens the successful public-private partnership in the most populous counties in Texas. This will increase costs to those counties to perform this function if the title providers cease to operate.

I also believe the proposed changes will cost our county more than the revenue provided, requiring counties to subsidize the vehicle registration and title process.

Brazoria County opposes final adoption of the rule changes to Chapter 217 as proposed by the Texas Department of Motor Vehicles as they will result in decreased county revenues, increased county costs, and reduce local control.

Thank you,

A handwritten signature in dark ink, appearing to read "Matt Sebesta", is written over the "Thank you," text.

L.M. "Matt" Sebesta, Jr.
Brazoria County Judge

From: [Peter Steinhardt](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Title and Registration Needs
Date: Wednesday, May 18, 2016 8:50:49 PM

5.18.2016

Mr. Duncan,

The privately owned title and registration services in Travis County serve a most valuable function. I have lived here for more than 40 years, 7 children and many automobiles later, I can tell you that the county of Travis will not be able to serve the public need without the private companies. The expertise that is available in these private service companies is very hard to come by in the county offices. The number of county employees with the same expertise is very limited and extremely hard to get to.

The personal environments at private companies is a plus for our community. The patience and flexibility of the private workers is much appreciated.

Please, DO NOT close the private title companies. There is no community need to close them and certainly no financial need to close them. Leave them alone, let them set their own rates. Let Travis county have its comfortable and friendly services provided by the companies that do this work so well.

Thank you

Peter Steinhardt

Entertainment Network Marketing, inc.

Dbas: **Steinhardt & Company**

4518 Apache Pass

Austin, Texas 78745

Office 512-443-2410

512-762-2646 cell

peter@steinhardt.us

Linda G. Bridge, PCC

Bee County * Tax Assessor-Collector * Voter Registrar

411 E Houston St. * PO Box 1900, Beeville, Texas 78104

Office 361-621.1554

Fax 361-358-5417

email: linda.bridge@co.bee.tx.us

May 19, 2016

Texas Department of Motor Vehicles
David D Duncan, General Counsel
4000 Jackson Avenue
Austin, TX 78731

RE: Chapter 217
Section 217.40 – Even Trade
New Subchapter J – Performance Quality Recognition Program
Subchapter H – Deputies
Subchapter I - Fees

Chairwoman Ryan and Board Members,

Upon reviewing the rules for this section I feel that first and foremost I need to point out that the Department of Motor Vehicles and this board must be cognizant of the fact that under the Constitution of the State of Texas, the County Tax Assessor-Collector is **PERSONALLY** liable for every dollar that is required to flow through their office, whether those funds are collected directly by the Tax Assessor-Collector or their appointed deputy. That liability may only be released by a District Judge on an individual, case by case basis. The process of collection and remittance of motor vehicle and registration fees is an important part of the county tax office statutory function. All County Tax Assessor-Collectors take this responsibility and their constitutional liability very seriously. All changes in the way fees are collected and remitted outside of the purview of the Tax Assessor-Collector should be carefully reviewed to make sure they meet the constitutional responsibility of our office.

Below are my comments on the proposed rule changes.

- Chapter 217.40 - Even Trade

While it is important to uphold the integrity of all motor vehicle transactions, I believe the even trade process falls under the purview of the Texas Comptroller of Public Accounts Motor Vehicle Division as part sales tax guidelines and as such, their office should promulgate forms to address this issue. This rule seems to put an undue burden on both parties of the transaction to appear in the tax office. I feel that requiring a customer to provide a medical excuse for not being present would create a very contentious working environment for my staff and by requiring a medical excuse we may be violating the HIPPA laws. I believe a variation of the Gift Tax Affidavit would be would work in the same manner for even trades. It would require the signatures to be notarized, but

allow only one party to complete the transfer transaction. I would also like to point out that this rule does not comprehensively cover how the process would work for car dealers and what requirement they would have to meet for even trade transactions.

- Chapter 217 New Subchapter J - Performance Quality Recognition Program

After speaking to some of the Tax Assessor Collectors who participated on the Performance Review Work group to develop these rules, I believe the intent was to allow the application for reinstatement of revoked status should be the same as the application for reinstatement of demoted status. Section 217.204 (d) should be removed. This would allow the Tax Assessor-Collector to correct any deficiencies and be able to reapply or be reinstated in the next year available.

- Chapter 217 Subchapter H – Deputies

I disagree with Section J and J(11) of this subchapter. It requires full service deputies to enter into a three party agreement with the department and the county and that the agreement may contain additional terms and conditions specified by the county, and must be approved by the department. The Department of Motor Vehicle should not be party to an agreement that is made between the Tax Assessor-Collector and a full service deputy. That agreement has been entered into by the TAC and Commissioners Court and since the full service deputy is bonded to the TAC the department has no jurisdiction in this agreement. Respectively, the department should not have authority to terminate an agreement that has been entered into by the TAC and the full service deputy. If the department believes that a full service deputy's rights and privileges should be terminated then the department should submit their evidence to the TAC to review for a final determination on termination to be made by the TAC.

Section 217.165 should be removed from the rules as it fits under the Section 217.164. It is a redundant addition.

Section 217.168 (b) (2) addresses the compensation of the deputy dealer as an "add on" fee of \$15. Currently dealers retain \$5.00 for each registration issued. Tax office staff is still required to review all transaction before final submission, so our responsibility has not diminished. If an increase is to be given then allow the dealer to retain \$10 and then remit the remaining \$5.00 to the TAC. This would compensate the TAC for their continued service to reviewing and accepting title transactions.

Section 217.16 (c) should not allow a full service deputy, deputy dealer or limited dealer to retain any monies from the processing and handling fee. To allow for proper disbursement of the fees this section should delete section (a) completely from the rules and change the language in (B) and (2) to state that the full service deputy may charge a convenience fee of \$5.00 and that a limited service deputy may charge \$1.00 for processing and handling fee established by Section 217.183. Changes in this section would allow counties to continue to receive the current revenue levels through limited service deputy operations.

- Chapter 217 Subchapter I – Fees

The current proposed rules drastically reduces the amount of fees that tax offices currently receive for their part in processing and handling title and registration transactions and remove the internet renewal process by hiring a third party vendor to process internet renewal transactions. The County Tax Assessor-Collector became an agent for the Department for the purpose of registering motor vehicles in 1918 by Legislative action. I feel that the department does not have statutory authority to relieve the County Tax Assessor from that duty. Each year our offices are asked to implement new processes, new laws and take on ever increasing workloads in the motor vehicle department. With that said, there should be no reduction in the current fee we now receive for registration/registration renewal whether those actions are performed online, by mail or as an over the counter transaction.

I have always taken pride in the fact that my staff and I strive to uphold and enforce the requirements of the Department of Motor Vehicles in every transaction we process. My staff reviews each and every title that is processed and makes sure all transactions are done in a timely manner. We are proud of our partnership with the Department of Motor Vehicles but feel we are deserving of the fees that we now receive for the services that we render.

Thank you for your time and your dedication to make this fair compensation and a stream lined process for all.

Sincerely,



Linda G. Bridge, PCC
Tax Assessor-Collector
Bee County, TX

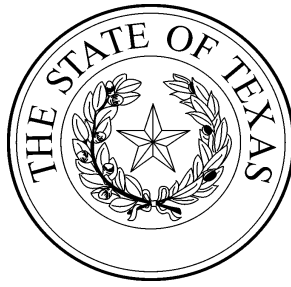
From: [John Hanschen](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Texas Administrative Code-proposed changes
Date: Friday, May 20, 2016 10:11:58 AM

Good morning: This message is a public comment on the proposed rule changes governing privately owned title services in Texas. The Thomas Carnival has been a customer of Fry Title Company in Austin for three decades. We patronize them because: 1: superior customer service 2: accurate information and advise 3. convenience 4. courtesy. Their fees have always been reasonable for us, certainly the value of their service outweighs the cost by a large margin.

We understand the proposed rules limit fees, threatening the financial viability of the private title companies. In your deliberations, we ask that you protect taxpayers by allowing operations like Fry Title to continue unhindered with their excellent service operation. Further, the existence of the private title services keep our state government tag services on their toes. With no alternative for the customer, service is apt to suffer, and costs are apt to rise.

I thank you for your consideration. Please contact me at any time if I can supply further information.

John Hanschen, President
Thomas Carnival, Inc.
(512) 282-4442
(512) 914-0395 cell
(877) 356-4704 fax



May 20, 2016

The Honorable Laura Ryan, Chair, and Board Members
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, Texas 78731

Re: Proposed DMV Rules as published in the April 22, 2016 *Texas Register*

Dear Chair Ryan and Texas Department of Motor Vehicles Board Members:

As lawmakers representing Travis County, we are deeply concerned about how rules recently proposed by the Department of Motor Vehicles will negatively impact taxpayers, small businesses, and our local government's ability to effectively manage operations.

While several aspects of the rules raise issues for Travis County, our primary concern is the proposed artificial caps for independent title companies providing vehicle registration and titling services. For more than 50 years, private sector auto title companies have been invaluable partners with Travis County, helping process about one-third of vehicle titles for the Tax Office. Competitive local market conditions have served as a check on the fees such companies can charge. The independent title companies argue the proposed rules capping charges to \$5 per auto registration and \$15 per title transfer will put these companies out of business. We agree with their argument. The result, per the Assessor-Collector, will force Travis County to hire 17 new positions at a cost of nearly \$1 million dollars a year. For counties working to do more with less, this is a devastating blow.

Additionally, the current proposal to restructure titling and registration fees—as well as reimbursement rates for Tax Office processing of such transactions—increases costs for vehicle owners while providing urban counties less funding to perform them. Travis County alone stands to lose an estimated \$584,300 in fee revenues every year, even as county taxpayers are paying more than ever to title and register their vehicles.

Although we appreciate that the Department needs to find ways to mitigate its budget deficit by adjusting fee schedules, Travis County cannot absorb the double whammy of reduced fee revenues and increased customer volumes. Taxpayers will ultimately bear the burden of these rule changes. We encourage you to reach out to Tax-Assessor Collectors across the state to receive updated financial information detailing processing and handling costs and re-

Chair Ryan and Board Members

May 20, 2016

Page 2

consider the impacts of the caps on independent businesses before adopting any rule changes.

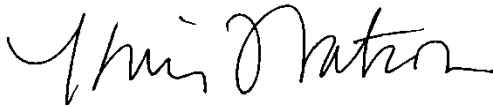
Thank you for your service to Texas,



Sen. Donna Campbell, District 25



Rep. Celia Israel, District 50



Sen. Kirk Watson, District 14



Rep. Elliott Naishtat, District 49



Sen. Judith Zaffirini, District 21



Rep. Eddie Rodriguez, District 51



Rep. Donna Howard, District 48



Rep. Paul Workman, District 47



Nueces County Courthouse
901 Leopard, Suite 301
Corpus Christi, TX 78401

Administration
(361) 888-0307
(361) 888-0308

Kevin Kieschnick
Assessor and Collector of Taxes

May 20, 2016

Whitney Brewster, TXDMV Executive Director
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, Texas 78731

Re: Proposed Rule Changes to Vehicle Title and Registration Fees

Under TXDMV's proposal, TXDMV is planning on reducing fees paid to the county for daily operations as well as taking over the online registration renewals from the county, and placing this function with a 3rd party vendor. The proposed reduction in income to the county to \$0.25 per transaction for online transactions does not appear to come close to covering the cost for our work put into this function. In review of a 5 year trend, we have seen fluctuations in our income from motor vehicle transactions; at a glance, our income has reduced by \$600,000.00+ just in the last 3 years, while our registration numbers have increased. We largely attribute this fluctuation to a reduction in sales tax due to economic factors related to the Eagle-Ford Shale. Further, our county has operated in the black using only TXDMV funds up through this year to operate our motor vehicle department. Should the proposed rule go into effect, our county will have to dip into ad valorem tax base to fund and pay for a state agency function. I do not believe the taxpayer's of any county should have to be subsidizing a state agency function from property tax revenue.

With all of that being said, I appreciate the time that the TXDMV Executive Director and her staff have taken on this issue to help find common ground. The meetings have been genuine, the communications have been two way – meaning there appears to be a genuine effort being placed to come to solutions for the issues and concerns being placed on this issue and an effort to find common ground is quite apparent. With that in mind I have the following specific recommendations for the TXDMV Board and the Executive Director to consider:

1. **Eliminate any rule dictating fees full service deputies are allowed to charge.** This is something the open market has and should continue to determine. People are often willing to pay for convenience, and that convenience is something each respective market and company should determine; not the TXDMV or its board of directors.
2. **Allow the TAC from each county the option to opt in or opt out of the TXDMV online motor vehicle processing by 3rd party Vender.** Those who choose to opt out need to be paid the current fee for processing those transactions. For those opting in, a detailed description of the steps the County Tax Offices will have to take on their side for completing the transaction needs to be clearly stated so a better cost analysis can be done to ensure proper compensation to those participating counties. Nueces County specifically

For information contact:

voice
fax

Motor Vehicle
(361) 888-0459
(361) 888-0482

Property Tax
(361) 888-0230
(361) 888-0218

Voter Registration
(361) 888-0404
(361) 888-0218



Nueces County Courthouse
901 Leopard, Suite 301
Corpus Christi, TX 78401

Administration
(361) 888-0307
(361) 888-0308

Kevin Kieschnick
Assessor and Collector of Taxes

would choose to opt out. I also highly encourage the department to review or possibly seek an Attorney General's opinion on whether the department has the statutory authority to subcontract out this function to a 3rd party or not. There has been much debate on that subject and I believe it would be beneficial to all concerned to get that issue ironed out prior to implementation of this rule.

3. **Increase the walk in traffic fees paid to the Counties:** There are numerous variable factors in the funding of formula for motor vehicle operations as my data above mentioned shows. Removing the online function from larger counties does not have a significant impact on our cost of providing services in relation to the income it produces. If the online registration is pulled from the county, the approximate amount needed to offset that loss for Nueces County specifically is about \$2.87. We would need to conduct more extensive analysis to see if this amount would carry forward, however based off our near zero based budget projections I do feel this number is very close to where it needs to be, at least for the 2014 year.

Thank you for your consideration. Specific budget numbers have been supplied to the department in advance. If explanation, further discussion, or more information is needed, please do not hesitate to contact me.

Sincerely,

Kevin Kieschnick, PCC
Nueces County Tax Assessor-Collector

Submitted via email to rules@txdmv.gov

For information contact:

voice
fax

Motor Vehicle
(361) 888-0459
(361) 888-0482

Property Tax
(361) 888-0230
(361) 888-0218

Voter Registration
(361) 888-0404
(361) 888-0218



WHARTON COUNTY TAX OFFICE

Patrick L. Kubala, PCC

P.O. Box 189, Wharton, TX 77488

(979)532-3312

May 20, 2016

Texas Department of Motor Vehicles
% David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, TX 78731

RE: Proposed TAC, Chapter 217, Subchapter H, Deputies

DMV Board Members:

I am submitting comments regarding the proposed rule changes within the Texas Department of Motor Vehicles. The DMV Board must consider, under the Constitution of the State of Texas, the County Tax Assessor-Collector is personally liable for every dollar this is required to flow through their office, whether those funds are collected directly by the Tax Assessor-Collector or their appointed deputy. That liability may only be released by a District judge on an individual, case by case basis. The process of collection and remittance of motor vehicle title and registration fees is an important part of the county tax office statutory function. County Tax Assessor-Collectors take this responsibility and their constitutional liability very seriously.

The changes proposed to Chapter 217, Subchapter J, regarding deputies, give the TxDMV authority to approve Full Service Deputy agreements between the Tax Assessor-Collector and the Full Service Deputy, and to terminate said agreements. There should be no authority for this department to do such, as they have no personal liability in the matter. If the TxDMV is aware of criminal activity happening within an office, the proper chain of command should be followed by contacting the Tax Assessor-Collector directly, and letting them handle disciplinary action.

Patrick L. Kubala

Patrick L. Kubala, PCC

Wharton County Tax Assessor Collector

In conclusion: The dept. (DMV) and TACA has had a very close relationship, a ring of trust ever since the passage of House Bill 63 by the special called session of the 35th Texas Legislature. This bill designated the County Tax Collectors as agents for the Highway Department for the registration of motor vehicles. Governor William P. Hobby signed the bill into law on April 3rd, 1918. And throughout all the years, the two parties have come together as one.

Now this relationship, this ring of trust, has been severed by the Dept. Instead of the problems being handled the way Jerry Dike and previous ones before in Jerry's position have handled it, by working through the problems together, the Dept. is acting out on their own, and totally forgetting about the long standing relationship with the Tax Collectors. The two parties are now fighting each other.

David Brooks has issued his opinion that what the dept. is proposing is unconstitutional.

The dept. has fired the shot heard around the state, and is causing a war. Time is of essence to solve the issues. The relationship and trust will take time to repair, but the two parties need to come together to the negotiating table, instead of the dept. acting out on their own.

A handwritten signature in cursive script that reads "Patrick L. Kubala". The signature is written in dark ink and is positioned at the bottom of the page.

Mary Ann Lovelady
Jones County Tax-Assessor-Collector

P.O. Box 511
100 Courthouse Sq./ 1st Floor
Anson, TX. 79501-0511

Phone: 325-823-2437
Fax: 325-823-4246
mary.lovelady@co.jones.tx.us

Texas Department of Motor Vehicles
David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, TX 78731

May 20, 2016

Comments and opposition to Proposed Amendments published in the Texas Register April 22, 2016
Volume 41 Number 17

Re: Proposed TAC, Chapter 217 Amendment to Subsection 217.2-217.5, 217.7, 217.26,
217.33, 217.40, 217.43, 217.45, 217.46, 217.54, 217.55, 217.88, and 217.123
Proposed TAC, Chapter 217, Subchapter H, Deputies, Sub Section
217.161, Amendment and new Subsection 217.162-217.168
Proposed TAC, Ch. 217, New Subchapter I Fees, Subsection 217.181-217.185;
Amendments to Subsection 217.23, 217.24, 217.29, 217.32, 217.52, 217.53, and 217.72;
and Repeal of Subsection 217.31

Chairwoman Ryan and Board Members,

In 2013 HB 2202 authorized the new Texas Department of Motor Vehicles to establish a processing and handling fee to cover the expenses of collecting registration fees. I feel the department has taken great liberty with that simple phrase. Tax Assessor Collectors have been in discussion with the department on that same problem. The current commission of \$1.90 per registration has been unchanged since the 90's, and collection of \$1.00 for mail fell short of the nearly \$4.00 required frequently to mail license plates. The short version has a new fee of \$5, with \$3.50 going to the Department of Motor Vehicles. While the County commission is increased to \$2.30, the mail fee is eliminated. A study was ordered by the Department to discover how much the registration process costs the counties. That amount was shown to be \$2.59 for walk-ins and \$1.97 for mail plus postage. The most cost efficient method of internet renewal, the Department proposes to take over from our offices and pay counties .25. To save mailing fees, the replacement of aging license plates has been removed. This will leave deteriorated and unreadable plates on the road longer.

The Department uses about 40 pages to develop an elaborate system of new procedures and new rules for deputies, dealer deputies, and "has plans to research possible implementation strategies" to take over internet renewals.

Dealer deputies, already allowed under Finance Code to collect \$50 for documentary fees, will also be allowed to collect an additional \$19 in title and related fees. Counties receive \$5 of the current \$28 to \$33 title fees. Where else do you expect to pay the same price as you did 25 years ago?

The summary predicts the ADDITIONAL loss to counties across the state to be approximately \$72,349,000 over 5 years as a result of these proposals. Our counties are struggling. We cannot accept this.

The changes will add \$224,772,638 to State Highway Fund 6.

Section 217, Subchapter H Deputies. The Tax Assessor Collector with their County Commissioners court have authority to approve Full Service or Limited Service deputies, and the Tax Assessor Collector is responsible for accounting for all fees and inventory. The TxDMV should not have any authority in approval or termination of these duties or collections of fees. The Tax Assessor Collector is required by law to account for all fees.

Mary Ann Lovelady
Jones County Tax-Assessor-Collector

P.O. Box 511
100 Courthouse Sq./ 1st Floor
Anson, TX. 79501-0511

Phone: 325-823-2437
Fax: 325-823-4246
mary.lovelady@co.jones.tx.us

Section 217.165 Inspection Deputies This term is unclear and unnecessary.

Section 217.168 and 217.184 Deputy Fee Amounts A Dealer Deputy is being allowed to charge customers twice for the same activity.

Section 217, Subchapter I Fees The intended purpose of establishing a fee to cover the expenses of collecting registrations has not been met for counties. TxDMV has set enough in place to fund itself, but is failing to support the offices that work daily to serve Texas drivers and keep their vehicles documented properly.

Section 217.40, New Section 6(e) relating to an Even Trade transaction. The wording of this section must be an example of government over reach. I cannot see by any reason or authority why anyone should have to present to their Tax Assessor Collector "documentation from a treating physician attesting that the applicant is unable to be physically present" in my office to transfer a title. I would consider it a violation of privacy, HIPPA, and just simply over the top. The "even trade" transaction type is a part of the Sales Tax affidavit on title applications, and this language should not be part of the Title or Registration rules.

Section 217.185 and Allocation of Processing and Handling Fee should be deleted and reconsidered. The Department should not place itself in competition with County offices in creating a new source of internet renewal processing. This section creates an unlawful discount not available to all customers, only those choosing to renew online. The Department also proposes for ITSELF to pay a \$2. fee for these same customers.

Amendments to Section 217.29 This amendment removes fulfilment responsibilities from county tax assessor collectors and transfers them to the TxDMV for internet renewals. TxDMV is placing itself in a grab of duties that are the responsibility of Tax Assessor Collectors and a major source of income. This once again has not been a topic fully discussed with the counties and will cost both the counties and TxDMV.

We believe the proposals in these sections will negatively impact our citizens, and all counties. The types of changes proposed should not be entirely handled by an agency that has no direct responsibility to public interaction. As elected officials, the counties and State Legislature should be working together with TXDMV to establish or prevent such changes. By depriving counties of this income, you are sending downstream to the counties a new tax burden to local citizens.

Sincerely,

Dale Spurgin
County Judge

James Clawson
Commissioner Precinct 1

Steve Lefevre
Commissioner Precinct 2

Mary Ann Lovelady
Tax Assessor-Collector

Ross Davis
Commissioner Precinct 3

Joe Whitehorn
Commissioner Precinct 4

A. S. McNeill
4504 Chiappero Trail, Austin, Texas 78731-5912
P. O. Box 9512, Austin, Texas 78766-9512
Voice: 512-452-2444
Email: [REDACTED]

RECEIVED

MAY 20 2016

TxDMV
OFFICE OF GENERAL COUNSEL

May 17, 2016

David D. Duncan, General Counsel
Texas Dept. of Motor Vehicles
4200 Jackson Ave, Bldg. 1
Austin, Texas 78731

RE: Rule Proposal on Ch. 217 affecting full-service deputies.

Dear Mr. Duncan:

I have been a customer of Universal Auto Title Services in Austin for quite a number of years. I think they are fast, efficient and pleasant. I have been told that some administrative action is pending that could adversely affect this company by limiting the prices they can charge for their services – limiting them to the point that the company cannot make a profit and therefore cannot stay in business. That would be a mistake.

This company is an important asset to the community. They post their prices, and I am happy to pay them for the convenience of being able to do business there. I very much prefer to deal with them than the people at the tax office. I have been in Universal Auto once or twice only wanting to ask a question. I have stood and waited until the boss man has a moment and then waved, and he has come to the counter. I told him my problem, got an answer, and left. Time required -- maybe three or four minutes. *Try that at the tax office!*

I encourage you to look at the comments on Yelp. Most of the posts express my own feelings. Most are glowingly complimentary. There are two people who found some fault. One was there on the last day of February, and the other on the first day of April very late in the day. As you would expect, the place is very, very busy on days near the first and the last of a month. Trying to get in for service at closing time on the first day of a month??? Give me a break! The employees have worked hard all day, beaten down if you will, and they want to go home! That post is really kind of funny. He complains about the carpet and not enough seating and lectures about why one should go to the tax office. But Universal Auto is jammed with people who prefer NOT to go the tax office. **Please don't mess with this business.**

Thanks for reading.



Archie McNeill

From: [rosemary monsivais](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Independent Title Fees
Date: Friday, May 20, 2016 4:51:58 PM

Dear Mr. Duncan:

I have used Auto Title Services for many years, they are well known in the community and provide a valuable service. I understand there is proposed legislation seeking to change how they operate. While visiting with other customers I have realized that many are there because of long lines at the county and lack of knowledge on certain transactions along with the lack of knowledge by county employees on some transactions.

Please reconsider limiting their fees so they may continue providing the services to the people of Travis County,

Sincerely,
Rosemary Monsivais
512-294-2099



SAMUEL L. NEAL, JR.

County Judge

Claudia Lobell

Chief Executive
claudia.lobell@co.nueces.tx.us

Danielle Hale, E.M.C.

(361) 888-0513
danielle.hale@co.nueces.tx.us

Regina Brooks

Executive Secretary
Regina.Brooks@nuecesco.com

May 23, 2016

Whitney Brewster
Executive Director
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, Texas 78731

Re: Proposed Rule Changes to Vehicle Title and Registration Fees

Dear Ms. Brewster:

I understand the Board of the Department of Motor Vehicles is proposing rule changes to Chapter 217 of the Texas Administrative Code related to vehicle title and registration fees, and related matters.

Legislative discussions on the legislation authorizing the change from a statutory fee schedule to a fee schedule set by the agency included assurances that the change would not result in a revenue loss to counties. In the case of Nueces County, the proposed fee schedule appears to violate that understanding.

Regarding Nueces County, taking online transactions away from the Tax-Assessor-Collectors Office would result in Nueces County subsidizing Department of Motor Vehicle operations with local ad valorem taxes. An alternative may be to allow counties to voluntarily "opt-out" of turning over online registrations to the state.

Further, an arbitrary cap on the amount that title service providers may charge also threatens the successful public-private partnership. Such a change will increase county costs to perform this function due to title service providers ceasing operations, as they have indicated they will.

For these reasons, I ask that you DO NOT adopt the proposed rules changes in the current form.

Thank you for your kind attention to this matter.

Sincerely,

Samuel L. Neal, Jr.
Nueces County Judge



Triple O Ranch **RECEIVED**
Homer & Mickey Owens MAY 20 2015
17009 Littig Rd. TxDMV
Manor, TX 78653 OFFICE OF GENERAL COUNSEL
(512) 278-1201 Hm. (512) 453-7323 Off.
(512) 940-6626 Homer Cell.
(512) 970-1038 Mickey Cell.
Email: [REDACTED]

DAVID DUNCAN G/C
Tax Dept of Motor Vehicles

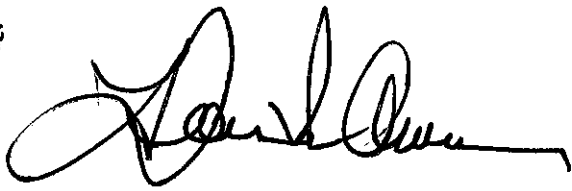
RE: Rule Proposals on ch 217

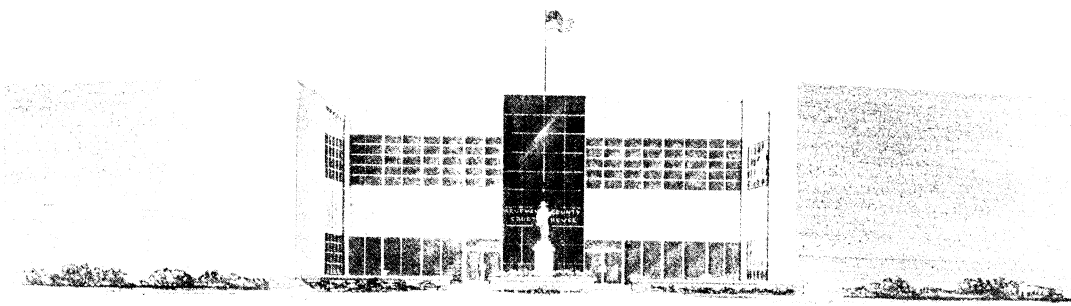
MR DUNCAN:

I wish you would Reconsider the proposal
Limiting pricing....

I have done business with the Bruce Elliott
family for YEARS in the purchase of license plates,
etc... the CONVENIENCE, friendliness, etc is worth
what they charge - (which I don't believe excessive!)
Please REconsider this change!

Any Questions - call me


HOMER W. OWENS



KAUFMAN COUNTY

KAUFMAN, TEXAS 75142

May 19, 2016

Texas Department of Motor Vehicles
David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, TX 78731

Re: Chapter 217, Proposed Amendments, Repeals, and New
Subchapter I of the Texas Department of Motor Vehicles
(TxDMV) relating to Fees

Chairwoman Ryan and DMV Board Members:

Before I present my objections to the proposed changes in fee schedules, I would like the Board to consider that under the Constitution of the State of Texas, the County Tax Assessor-Collector is personally liable for every dollar that is required to flow through their office. That liability may only be released by a District Judge on an individual, case by case, basis. The process of collection and remittance of motor vehicle title and registration fees is an important part of the County Tax Office statutory function, and as a County Tax Assessor-Collector, I take this responsibility and its constitutional liability very seriously.

Further, I request you consider that Section 520.005 of the Transportation Code clearly states, "Each county tax assessor-collector shall process a registration renewal through an online system designated by the department" (the department meaning DMV).

With the above thoughts in mind, here are my comments on the proposed rules changes:

1) **Section 217, Subchapter I - Fees:** The proposed fee schedule for online registrations is inappropriate and should be kept the way it is. The idea that the counties do not still provide their support in terms of time for online registrations seems to have been overlooked. Offering a fee of 25 cents per online registration, while expecting

the counties to do all the work except put the plate in the envelope is simply going to reduce the revenue to the counties and provide DMV with a revenue stream at the counties' expense. As stated above, DMV does not have the authority to process online registrations. That is within the purview of the individual County Tax Assessor-Collector.

Using the registration growth assumptions made by TxDMV, the change in fees to be allocated to the counties for online registration would cost Kaufman County approximately \$381,975 over the next five years. See Attachment 1. So, if online registrations go to 50%, as predicted by TxDMV, and the revenue goes to DMV vice the counties, then losses across the state in county tax offices would be extremely detrimental. Counties will still be expected to answer Online registration questions from the public. This will take up time at the tax offices, which is not accounted for in any scenario. Also, please consider the frustration of the citizens, because we cannot answer all their questions about when DMV mailed their plates.

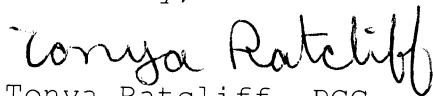
There should be no fee reductions for counties in order to build in a funding source for a state agency.

2) **Section 217.165 Subchapter H - Deputies:** While my county does not currently have Full/Limited Service Deputies, we likely will in the near future. Since those deputies would be under my personal liability, why should TxDMV have any approval or termination authority over them? They should not. Texas GA-0037 (2003).

For the reasons stated above, I respectfully request the Board take careful consideration of the effects of the proposed changes. I believe it will negatively impact our citizens and our County. I look forward to working with TxDMV, the State Legislature, and the Tax Assessor-Collector Association to find solutions that benefit all parties.

You may be receiving a letter from the Kaufman County Commissioners regarding their concern and doubts about the negative impact of these proposed changes to Section 217 of TxDMV.

Sincerely,



Tonya Ratcliff, PCC
Tax Assessor/Collector
Kaufman County

2015 Data - Kaufman (Current)	Walk-in	Online	Mail	Total
Current Commissions/ Reg	\$1.90	\$2.90	\$2.90	
Proposed Commissions/ Reg	\$2.30	\$0.25	\$2.30	
Registration Counts	101,872	10,879	3,871	116,622
Registration Percentages	87.35%	9.33%	3.32%	100.00%
Current Commissions	193,557	31,549	11,226	236,331.80
Proposed Commissions	234,306	2,720	8,903	245,928.65
Commissions Gain/Loss	40,749	-28,829	-2,323	9,596.85

2% Overall Increase & 10% shift to Online (1st Year)	Walk-in	Online	Mail	Total
Current Commissions/ Reg	\$1.90	\$2.90	\$2.90	
Proposed Commissions/ Reg	\$2.30	\$0.25	\$2.30	
Registration Counts	91,685	21,066	6,203	118,954
Registration Percentages	77.08%	17.71%	5.21%	100.00%
Current Commissions	174,201	61,092	17,990	253,283.08
Proposed Commissions	210,875	5,267	14,268	230,409.50
Commissions Gain/Loss	36,674	-55,825	-3,722	-22,873.57

2% Overall Increase & 10% shift to Online (2nd Year)	Walk-in	Online	Mail	Total
Current Commissions/ Reg	\$1.90	\$2.90	\$2.90	
Proposed Commissions/ Reg	\$2.30	\$0.25	\$2.30	
Registration Counts	82,516	30,235	8,583	121,334
Registration Percentages	68.01%	24.92%	7.07%	100.00%
Current Commissions	156,781	87,681	24,889	269,350.91
Proposed Commissions	189,788	7,559	19,740	217,086.02
Commissions Gain/Loss	33,007	-80,122	-5,150	-52,264.89

2% Overall Increase & 10% shift to Online (3rd Year)	Walk-in	Online	Mail	Total
Current Commissions/ Reg	\$1.90	\$2.90	\$2.90	
Proposed Commissions/ Reg	\$2.30	\$0.25	\$2.30	
Registration Counts	74,265	38,486	11,009	123,760
Registration Percentages	60.01%	31.10%	8.90%	100.00%
Current Commissions	141,103	111,610	31,927	284,639.89
Proposed Commissions	170,809	9,622	25,321	205,751.52
Commissions Gain/Loss	29,706	-101,989	-6,606	-78,888.37

2% Overall Increase & 10% shift to Online (4th Year)	Walk-in	Online	Mail	Total
Current Commissions/ Reg	\$1.90	\$2.90	\$2.90	
Proposed Commissions/ Reg	\$2.30	\$0.25	\$2.30	
Registration Counts	66,838	45,913	13,484	126,235
Registration Percentages	52.95%	36.37%	10.68%	100.00%
Current Commissions	126,993	133,147	39,105	299,244.45
Proposed Commissions	153,728	11,478	31,014	196,220.23
Commissions Gain/Loss	26,735	-121,669	-8,091	-103,024.22

2% Overall Increase & 10% shift to Online (5th Year)	Walk-in	Online	Mail	Total
Current Commissions/ Reg	\$1.90	\$2.90	\$2.90	
Proposed Commissions/ Reg	\$2.30	\$0.25	\$2.30	
Registration Counts	60,154	52,597	16,009	128,760
Registration Percentages	46.72%	40.85%	12.43%	100.00%
Current Commissions	114,293	152,530	46,426	313,249.93
Proposed Commissions	138,355	13,149	36,821	188,325.22
Commissions Gain/Loss	24,062	-139,381	-9,605	-124,924.71

From: [Jinee Rizzo](#)
To: [Zz - Resource - GCO Rules](#)
Subject: comment on DMV price fixing of car title services
Date: Friday, May 20, 2016 10:17:16 AM

Dear Mr. Duncan:

I am opposed to the new rules that would affect auto title services in Austin. My understanding is that these new rules would reduce the prices that title services are allowed to charge for their services to the point of destroying their small business. This seems paradoxical to the support of private business ownership the State supposedly encourages.

It seems over the last 5 years my registration fees have increased despite the fact that my vehicles continue to age. In the past, this was not the case.

When purchasing a used car from a dealer, no longer does the current registration transfer to me as the new owner. Therefore, this basically amounts to double registration on every used car dealers sell across Texas, I assume.

It appears that when the DMV has revenue shortfalls, they make price increases that are invisible to the public. Yet they are trying to fix prices that small businesses can charge.

It seems unfair to punish business owners who are doing a service for the public. I have used title services for years and appreciate the convenience.

Jinee Rizzo, Ph.D
Deputy Chief Forensic Toxicologist
Travis County Medical Examiner
1213 Sabine Street
Austin, TX 78701
512-854-6880 (ph)
512-854-6888 (fx)



THE TAX ASSESSOR-COLLECTORS ASSOCIATION OF TEXAS

An Association to secure the benefits of organized ideas and discussion of mutual problems
that will advance and maintain proper efficiency and dignity of the County Tax Office.

www.tacaof texas.org

"REACHING OUT, TO RISE UP"

May 16, 2016

OFFICERS

THELMA "MIDGET" SHERMAN, PCC
PRESIDENT
ANGELINA COUNTY
tsherman@angelinacounty.net

RONNIE KEISTER
PRESIDENT- ELECT
LUBBOCK COUNTY
rkeister@co.lubbock.tx.us

TERI GARVEY, PCC
VICE PRESIDENT EXTERNAL
ANDERSON COUNTY
tgarvey@co.anderson.tx.us

CATHY C. TALCOTT, PCC
VICE PRESIDENT INTERNAL
COMAL COUNTY
talcc@co.comal.tx.us

MICHELLE FRENCH, PCC
SECRETARY-TREASURER
DENTON COUNTY
michelle.french@dentoncounty.com

JOHN R. AMES, PCC, CTA
IMMEDIATE PAST PRESIDENT
DALLAS COUNTY
John.Ames@dallascounty.org

DIRECTORS

LINDA BRIDGE, PCC
BEE COUNTY
linda.bridge@co.bee.tx.us

MONTE SHAW, PCC
WISE COUNTY
monte.shaw@co.wise.tx.us

PAUL VILLARREAL, JR., PCC
HIDALGO COUNTY
paul.villarreal@hidalgocountytax.org

TAMMY McRAE, PCC
MONTGOMERY COUNTY
Tammy.mcrae@mctx.org

Texas Department of Motor Vehicles
% David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, Texas 78731

Re: Chapter 217 Proposed Rule Amendments & Additions

Chairwoman Ryan and DMV Board Members:

As president of the Tax Assessor-Collectors Association of Texas I wish to make formal comment on behalf of the Association (TACA) as regards to the proposed rule additions to Chapter 217 of the Texas Administrative Code, New Subchapter J, Performance Quality Recognition Program, SS217.201-217.207; Subchapter H, Deputies SS217.162-217.168; Chapter 217.40, New Section 6(e) relating to Even Trade & New Subchapter I, Fees.

The DMV Board must consider, under the Constitution of the State of Texas, the County Tax Assessor-Collector is personally liable for every dollar that is required to flow through their office, whether those funds are collected directly by the Tax Assessor-Collector or their appointed deputy. That liability may only be released by a District Judge on an individual case by case basis. The process of collection and remittance of motor vehicle title and registration fees is an important part of the county tax office statutory function. County Tax Assessor-Collectors take this responsibility and their constitutional liability very serious.

TACA is looking forward to working with the Department to finalize the Performance Quality Recognition Program for County Tax Offices in our great State of Texas. The rules laid out for the basis of this program are acceptable to our board, with one exception. Section 217.04(d) does raise some concern.

The rule as published is **NOT** in line with what was stated and agreed to at the Performance Review work group meeting held on March 4th, 2016 in Austin.

The Tax Assessor-Collector that had recognition revoked by the department due to accusation or other circumstances that may present themselves and is

exonerated should not have to be re-elected to be eligible to reinstate their previously awarded recognition. They should be able to follow the same procedure as the Tax Assessor-Collector whose recognition was demoted. Below is sample language to amend the published rules to reflect what was agreed to in committee:

1. 217.204(c)(2) Should read as follows: If the department revokes a county tax a assessor-collectors's recognition or demotes a level of recognition, the county tax assessor-collector is not eligible to apply for reinstatement of recognition or a higher level of recognition until after serving as the county tax assessor-collector during an entire state fiscal year subsequent to the state fiscal year during which the existing recognition was revoked or demoted.
2. Delete 217.204(b)

In regards to the proposed rule addition to Chapter 217 of the Texas Administrative Code, Subchapter H. SS217.162–217.168 related to full service deputies as defined in the amended rules, which requires approval by the department of any agreement a County Tax Assessor-Collector may execute with a full service deputy. Since there is no personal liability for the department in this relationship and since the relationship exist solely because the Tax Assessor-Collector wishes it to exist, we see no need for DMV to approve said agreement. The concerns regarding access to RTS may be addressed by the department with a separate agreement as it does currently for any entity with access to RTS. Also, in Section 217,163(11) it states the county or the department may terminate an agreement with a full service deputy but, since the department has no authority to approve such an agreement, the department should not be allowed to terminate one. The rule should be amended to state the County Tax Assessor-Collector may terminate an agreement, instead of the “county”. In addition, it should state in this rule if the department has evidence a full service deputy, in their opinion, should be terminated, the department shall contact the Tax Assessor-Collector with the department’s concerns, allowing the Tax Assessor-Collector to have information necessary to protect their liability and make an informed decision whether or not to terminate the full service deputy.

In Section 217.163(j)8 it requires a full service deputy to retain records for a period of four years. Full Service Deputies should be required to follow the retention schedules as directed by the Texas Library and State Archives Commission, since these are governmental records.

Section 217.165 is an addition of Inspection Deputies. This proposed section should be deleted as redundant and unnecessary. The County Tax Assessor-Collector can contract in the exact same manner with this type of business, should they choose, under the same rule as stated for Limited Service Deputies.

Deputy Fee Amounts, Section 217.168(b)(2) addresses compensation of the

deputy dealer in the form of a customer “add on” fee of \$15 for each title transaction. Those same dealers currently retain \$5 for each registration issued. Even with webDealer in place for these deputies, County Tax Assessor-Collectors are required to review all paperwork as to its correctness prior to authorizing its inclusion in RTS. Rather than tripling the fee for dealer compensation only, it is suggested in the following re-wording of this section that part of the “add on” fee be remitted to the County Tax Assessor-Collector:

Section 217.168(b)(2) A dealer deputy may charge the customer a fee of up to \$15, as determined by the dealer deputy and approved by the County Tax Assessor-Collector. The dealer deputy retains \$10 of the fee charged to the customer with the remaining \$5 remitted by the dealer to the County Tax Assessor-Collector. This section does not preclude a dealer deputy from charging a documentary fee authorized by the Finance Code Section 348.006.

Registration and Renewals, Section 217.168(c) addresses what portion of the processing and handling fee or “add on” fee each type of deputy will be paid. As TACA believes there should be no reduction in the fees paid to the County Tax Assessor-Collector, a limited service deputy should continue the practice of a \$1 add on fee at point of sale. Suggested language is:

Section 217.168(c) A limited service deputy may charge the customer an additional convenience fee of \$1 at point of sale.

New Section 217.40(6)(e) relating to Even Trade of a Motor Vehicle creates an imposing burden for the public, offers no guidance for motor vehicle dealers, and a document attesting a medical condition could be in violation of Federal HIPPA laws. DMV has no authority to pry into the personal medical issues of Texas citizens in order to transfer a title. This is a sales tax issue and the State Comptroller of Public Accounts should be consulted.

New Subchapter I, Fees, Ch. 217.29 Refers to Vehicle Registration Renewal via Internet. Section (f) has been added to the current rule relieving County Tax Assessor-Collectors from the duty of actually processing internet registration renewals and transferring that responsibility to the department. **County Tax Assessor-Collectors firmly believe the department does not have statutory authority to remove any part of that process from the office of the County Tax Assessor-Collector.** A copy of a legal opinion by David Brooks is attached clearly stating the changes to this section are in violation of statute. In addition, as stated earlier in these comments, County Tax Assessor-Collectors recognize, regardless of who would perform a function of the tax office the County Tax Assessor-Collectors are statutorily charged with performing, County Tax Assessor-Collectors would still be personally liable for the funds associated with the transaction.

Allocation of Processing and Handling Fee, Section 217.185 – As the County Tax Assessor-Collector will continue to perform the statutory functions of motor vehicle registration/registration renewal, County Tax Assessor-Collectors are of the opinion there should be NO reduction in the current fees now received for registration/registration renewal whether performed through on line, walk in, mail in or through their appointed deputies.

The following is suggested language for amendment to Section 217.185(4):

Section 217.185(4) If the registration transaction was processed by a deputy appointed by the County Tax Assessor-Collector in accordance with Subchapter H of this chapter (relating to deputies):

- A. The deputy may be paid:
 - (I) As specified in 217.168 of this title (relating to Deputy Fee Amounts). The deputy must remit the full processing and handling fee to the County Tax Assessor-Collector;

It is my desire and hope as President of the Tax Assessor Collectors Association that our working relationship with TxDMV will continue to grow stronger in the years to come, so that we can strive together to truly meet the needs of the citizens of our great State of Texas.

Sincerely,



Thelma "Midget" Sherman, President
Tax Assessor-Collectors Association of Texas

From: Kathy
To: Zz - Resource - GCO Rules
Subject: against proposed title service fee limit
Date: Friday, May 20, 2016 2:59:27 PM

Mr. Duncan,

I have been doing business with Auto Title Services of Oak Hill since 1991. They provide an invaluable service to the community. They are extremely knowledgeable and helpful. I have lived in counties without this type of title service and I always dreaded going to the county to do business. There are long wait lines and inexperienced employees.

I understand there are new rules being proposed to limit title service fees. It seems that this would be very taxing on small businesses especially when the economy is starting to recover. It also seems that if a consumer does not want to pay for these fees, they could go to the county for free. I'm not sure who the new rules will benefit. Travis county could not possibly absorb the customers these title services serve if they are forced out of business. Have you been around Austin? Nearly every business - retail, the service industry, etc has a "now hiring" sign posted. Most customer service in Austin is minimal at best and the county certainly could not handle the influx of new residents without these title services.

These title services have existed for years, without the involvement of Txdmv. At a time when politics across America are a joke and people are screaming for less involvement by big government, why would you choose now to shake up Travis County and harm small businesses in the process?

Thanks for listening.

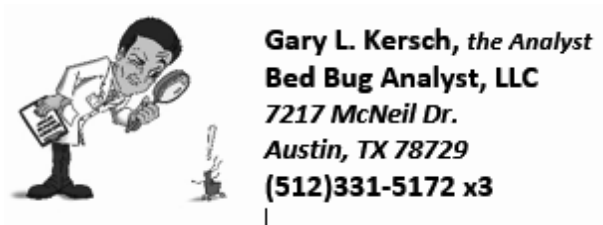
Kathy Wagner
Travis County resident
512-964-8807

From: [Gary L. Kersch](#)
To: [Zz - Resource - GCO Rules](#)
Subject: rule proposal on Ch. 217 affecting full-service deputies
Date: Sunday, May 22, 2016 6:10:14 PM
Attachments: [image001.png](#)

rule proposal on Ch. 217 affecting full-service deputies

I have used the Privately owned auto title office in Austin for over 15 years. It would be a great disservice to change any facet of their arrangement that might affect their ability to serve the public. Please do not institute the proposed rule change.

I am supportive of any opportunity for the public to be served by private enterprise. The market forces will dictate if they need to make pricing adjustments, it is not imperative that government dictate pricing as there will always be the government office alternative if pricing gets out of line.



Randy H. Riggs, CPA, PCC
McLennan County
Tax Assessor/Collector



P O Box 406
Waco, TX 76703
(254) 757-5130
Fax (254) 757-5141
Randy.Riggs@co.mclennan.tx.us

May 22, 2016

Texas Department of Motor Vehicles
c/o David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, Texas 78731

Re: Proposed TAC, Chapter 217 Amendment to Subsection 217.2-217.5, 217.7, 217.26, 217.33, 217.40, 217.43, 217.45, 217.46, 217.54, 217.55, 217.88, and 217.123
Proposed TAC, Chapter 217, new Subchapter J, Performance Quality Recognition Program, Subsection 217.201-217.207
Proposed TAC, Chapter 217, Subchapter H, Deputies, Sub Section 217.161 Amendment and new Subsection 217.162-217.168
Proposed TAC, Ch. 217, New Subchapter I, Fees, Subsection 217.181-217.185;
Amendments to Subsection 217.23, 217.24, 217.29, 217.32, 217.52, 217.53, and 217.72;
and Repel of Subsection 217.31

Dear Chairwoman Ryan and DMV Board Members:

Thank you for the opportunity to comment on the proposed areas defined above. Before getting too specific with my comments, it seems appropriate for the board to consider that, as Tax Assessor-Collector of McLennan County, I am personally liable for every dollar that is required to flow through my office by the Constitution of the State of Texas. This liability or responsibility may only be waived by a District Judge. Based on my understanding, this includes the responsibilities performed by my motor vehicle department. I am highly sensitive to this and take the responsibility very seriously. As the elected assessor-collector, the interests of the citizens I represent are of the utmost importance. It is my intent to provide the best service that the citizens of my county deserve. This can only be done when we work together for their common good understanding that the best form of government is the government closest to the people.

Section 217, Subchapter H – Deputies. Since TxDMV has no personal liability, it would make sense that there should be no authority for TxDMV's approval or termination of Deputies. One size does not fit all and this responsibility can best be accomplished at the local level.

Section 217.165 – Inspection Deputies. This seems to be unnecessary.

Section 217, Subchapter I – Fees. Fees for the services generated by the assessor-collector have not increased in over 20 years. It would seem that an increase should be considered rather than a reduction for all forms of service including online options. TxDMV should not build a self-funded state agency by reducing revenue at the county level. All fees should be submitted to the assessor-collector to be accounted for as required.

Section 217.4, New Section 6(e) relating to Even Trade of a motor vehicle seems to relate more to an issue that should be managed by the TX Comptroller of Public Accounts rather than the DMV.

Amendments to Section 217.29. This proposal seems to eliminate the responsibilities of a county tax assessor-collector and replace them with the TxDMV. This could be interpreted to be in conflict with Section 520.005 of the Transportation Code specifically, if not the Texas Constitution generally.

It is my opinion that these proposals will have a detrimental effect to the citizens I represent. This negative impact will hinder the ability of county government to provide the services our citizens deserve. It is my hope that you share this concern and act in a manner beneficial for all.

Sincerely,

A handwritten signature in black ink, appearing to read 'Randy H. Riggs', with a stylized, flowing script.

Randy H. Riggs, CPA, PCC
Tax Assessor-Collector

ALESHIRELAW
A PROFESSIONAL CORPORATION
700 LAVACA STREET, SUITE 1400
AUSTIN, TEXAS 78701

Bill Aleshire
Bill@AleshireLAW.com
512 320-9155 (call) 512 320-9156 (fax)

May 23, 2016

VIA HAND DELIVERY (and email to rules@txdmv.gov)

David D. Duncan
General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue, Building 1
Austin, Texas 78731

RE: Comments from CUSTOMERS of Full-Service Deputy Companies Regarding the
TxDMV Chapter 217 (Vehicle Titles and Registration) Proposed Rules¹

Dear Mr. Duncan:

Attached are comments from customers of full-service deputies (FSD) in Bexar County and Travis County. These comments were collected by the FSDs from their customers in response to TxDMV's rule proposal to limit the price FSDs can charge their customers to \$5 per registration and \$15 per title transactions.

In the attached cards and petitions, **there are 12,409 (twelve thousand four hundred nine) signatures from the FSD customers** who pay the FSDs for services indicating that the prices charged to these customers are fair and that the customers do not object to the current prices being charged. I am also aware that an additional 447 support cards from FSD customers were directly submitted to TxDMV during this rule-comment period. Therefore, at least **12,856** FSD customers have indicated their opposition to the price limits proposed by TxDMV.

In adopting its rules related to FSDs, TxDMV should take into consideration the fact that TxDMV has not received any complaints from FSD customers about the prices charged, but has now received a huge outpouring of support from FSD customers who oppose the proposed TxDMV rules. In light of this evidence from customers who pay the price for the convenience of having FSD services available, it makes one wonder who TxDMV thinks they are helping by fixing

¹ 41 TexReg 2920 –937 (April 22, 2016)

prices that FSDs may charge and retain from those customers. In addition, TxDMV has received resolutions from Commissioners Courts in El Paso, Bexar, and Travis counties opposing the rules proposal to reduce county revenue and adversely impact the full-service deputies. Full-service deputies have been pleading with TxDMV staff over the course of the last year to seek ways of mitigating the damage the proposed rules and fees would cause. The question now is: Will TxDMV listen?

Respectfully submitted,



Bill Aleshire
Bar No. 24031810
AleshireLAW, P.C.
700 Lavaca, Suite 1400
Austin, Texas 78701
Telephone: (512) 320-9155
Facsimile: (512) 320-9156
Bill@AleshireLaw.com

ALESHIRELAW
A PROFESSIONAL CORPORATION
700 LAVACA STREET, SUITE 1400
AUSTIN, TEXAS 78701

Bill Aleshire
Bill@AleshireLAW.com
512 320-9155 (call) 512 320-9156 (fax)

May 23, 2016

VIA HAND DELIVERY

David D. Duncan
General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue, Building 1
Austin, Texas 78731

RE: Comments Regarding Adverse Financial Impact on Small Businesses of the
TxDMV Chapter 217 (Vehicle Titles and Registration) Proposed Rules ¹
With **CONFIDENTIAL PROPRIETARY INFORMATION ATTACHED**

Dear Mr. Duncan:

The following comments and factual information are submitted on behalf of my clients, full-service deputies (FSD) in Bexar County and Travis County. These comments and documentation relate to the financial impact on these FSDs if the proposed rules fixing the prices the FSDs can charge go into effect. Additional comments on behalf of the FSDs about other aspects of the proposed rules are being submitted separately. The full-service deputies on whose behalf these comments are submitted are:

(Bexar County): (1) Auto Title Express, (2) GM&N Auto Title Service, (3) San Antonio Auto Title, Inc., (4) Tisdale LLC, (5) Texas Auto Title, (6) Texas Tag and Title, (7) River City Auto Title,
(Travis County): (8) Auto Title Service, (9) Auto Title Service of Oakhill, (10) Fry Auto Title Service, and (11) Universal Auto Title Service.

FSD General Comment: Before adopting its price-fixing rule on FSDs, TxDMV should consider the attached factual information and the implications on these small businesses. TxDMV has, so far, ignored the experienced business judgment of the owners of the FSDs whose prices reflect—unlike the proposed price-fixing TxDMV rule—realities in the local private-sector market

¹ 41 TexReg 2920 –937 (April 22, 2016)

in which these businesses have provided popular services for decades—without complaint from those customers. Overall, TxDMV should show more respect to the local judgments on pricing of the FSDs and the Tax Collectors who deputize and supervise them. The public has benefited greatly in the counties where FSDs provide services, and the taxpayers will be severely harmed if FSDs cannot continue to operate because of the TxDMV rule. This public-private partnership is not broken, and there is no benefit having TxDMV try to “fix it” with an attitude of “Hi, we’re from the government, and we’re here to help you, whether you need it or not.”

Confidential Financial Records Prove Rule-Price Limits Are Too Low

Confidential financial records and information about these client companies are attached that, if disclosed, would give advantage to the FSDs’ competitors. Each page is marked **CONFIDENTIAL** with a FSD bates page number from FSD 1 thru FSD 35.

These records are provided to TxDMV under duress because TxDMV has proposed rules that would destroy these companies, and apparently TxDMV will not reconsider the erroneous price-fixing rules unless the FSDs provide this information. *See* 41 TexReg 2933, “If any commenter submits written comments disagreeing with the department’s position regarding economic impact, the department strongly recommends including documentation to support any stated negative finance, revenue, or cost implications. Such documentation will aid in the board’s decision-making process and could include detailed financial statements, business plans, budgets, or other items necessary to demonstrate the stated impact.” The TxDMV indicates it will not release such information to anyone requesting it, but will request a ruling from the Attorney General pursuant to the Texas Public Information Act. The FSD financial information is provided to TxDMV only under these circumstances and solely for the purpose of providing TxDMV information about the economic effect on these FSDs with its proposed rules.

Historical Background and Explanation of the Full-Service Deputy Businesses

In its rulemaking, the TxDMV should take into consideration the following facts and perspective about the FSDs.

Almost all of the FSDs have been in business for decades; Fry Auto Title went in business doing registrations and titles for its customers over 50 years ago. No person needing to obtain vehicle registration or titling services has been required to use their services. So the FSDs have competed for customers among themselves, as well as competing with the option their customers have always had to register/title their vehicle directly through the Tax Office or online.

Because they are private businesses, FSDs take financial risks locating their businesses, hiring staff, and operating these for-profit businesses. Over time they set their prices for their services, just like any other private business: based on the competitive market for their services and their necessary expenses to operate profitably. There are basically two markets for the FSDs with differing dynamics affecting prices and costs: (1) car dealers and other high-volume customers who use FSD services (usually with a discounted price) and (2) walk-in customers who often require a lot of time and attention. The way the TxDMV price-fixing proposal would affect

each FSD can differ depending on the customer mix (dealers/walk-ins) as well as the degree to which walk-in registration transactions are more prevalent than title transactions or vice versa, as well as local cost-of-doing-business and other factors.

During all of the decades the FSDs have been in business, no state rule or law has set the price they could charge for their services. By law, each of these companies have been deputized by the Tax Collector and operate in accordance with the Tax Collector's standards and supervision. The FSDs are not, by law, agents or deputies of the TxDMV; they are deputies of, and report solely to, the Tax Collector. It is the Tax Collector, not TxDMV, who is, by law, the authority through which vehicle registration and titles are decided. The charges the FSDs have made for their services have been openly advertised and have always been known to, and approved by, the Tax Collector.

The FSDs represented here, perform about 1/3 of the registration/title transactions in Travis County and about 40% of the transactions in Bexar County. According to a report provided recently by TxDMV in response to my request, in 2015, the FSDs represented here performed 446,378 registrations and 250,143 title transactions. However, it should also be noted that the TxDMV count is a misleading as to the total number of individual registration transactions performed because almost every title transaction also includes a registration.

FSD customer service charges have not been considered "fees" (which are mandatory payments for the registration and titles). One-hundred percent (100%) of the "fees" collected by these FSDs have been turned over, daily, to the Tax Collector (including, for example, all of the \$5 registration fee, none of which has been retained by the FSD). FSDs have stayed in business with the voluntary customer service charge their customers choose to pay. The FSD customers are fully aware that, by choosing to use the private FSD, they are voluntarily paying an additional customer service charge they could avoid by using the direct services of the Tax Collector's office. Despite this extra customer service charge, the FSDs have kept their customers, gotten new ones, and stayed in business by charging prices that permit them to select locations for their stores that are popular, and provide quick and convenient services that go beyond what the tax offices (or TxDMV) provide. FSDs provide customer service over the phone and (for several of them) expanded store hours on Saturdays; all for a price that customers are quite willing to voluntarily pay. In providing greater customer service and expanded service hours, FSDs have been innovative, but nothing in the TxDMV rules proposal recognizes that these services come with a cost.

The TxDMV rule fails to recognize important dynamics faced by private-sector companies. FSDs are paying money for staff and operations, while not collecting customer payments, when the RTS system goes down, like it has recently. FSDs are paying money for staff, while not collecting customer payments, when they spend the time on the phone or across the counter with customers who do not have all of the paperwork necessary to the transaction the first time. The FSDs report that they are constantly answering customer-service phone calls and that around 15% of the registrations and 25% of titles cannot be processed the first time the walk-in customers present the transaction. In the private sector, time is money, and this customer-service time does not produce money although the FSDs are providing a public service.

In 2013, the Legislature adopted HB 2202 and HB 2741 authorizing TxDMV, for the first time, to adopt rules that would, apparently, fix the prices the FSDs can charge their customers. That authority came out of the blue from the perspective of the FSDs and many of the Tax Collectors, who were not consulted nor provided any information about why such price-fixing was necessary instead of the continuing the local-controlled Tax Collector-supervised system that had been in place, successfully, for decades. The advantage of that localized system is that the prices the FSDs charge have taken into account local costs of doing such business, the market competition, and the ability to set prices to keep pace with inflation.

Nothing in the legislative history explains what problem the Legislature sought to solve, and the Legislature made no findings to justify or explain its decision to regulate FSD prices for the first time. Nor does this delegation of authority to TxDMV to set FSD prices in Tex. Trans. Code section 520.0071 contain any standard for TxDMV to follow in doing so. The statute itself is an unjustified exercise of government control over private business transactions with a standardless delegation of authority to TxDMV for price-fixing by private businesses. It is true that FSDs assist the public regarding government functions (registration/titling), but so do other companies whose prices are not set by the government, such as those who (a) provide court reporting services, (b) serve citations of service on lawsuits, (c) prepare IRS tax returns, or (d) prepare paperwork for customers needing passports. The government does not fix the prices for the services of such companies offering these other “governmental” services.

The TxDMV rule, to set *one* price, *statewide*, for FSD services is unrealistic, destructive, and ignores the advantages of, instead, having local control by locally elected officials (the Tax Collectors), to supervise the maximum “fee” the FSDs should be able to charge based on local circumstances. On its face, the rule proposal cuts deep into the revenue the FSDs have been receiving by the \$5 registration limit and the \$15 title limit and elimination altogether of revenue from other transactions (such a temporary permits and replacements). The Bexar County FSDs charge between \$10 and \$15 for a registration; and Travis County FSDs charge between \$6 and \$10.25. None of the FSDs charge only \$5 for a registration. One Bexar County FSD and three FSDs in Travis County charge about \$20 for a title transaction, but the rest of the Bexar County FSDs charge \$30 for a title and the remaining FSD in Travis County charges \$40. All of the FSDs charge extra for transactions (such a salvage titles, permits, duplicates, bonded titles, etc.) that the proposed rule would, apparently, eliminate.

When viewed from a transactions count, more walk-in registrations by FSDs are charged \$10 or more and more walk-in title transactions by FSDs are charged \$30 or more. Unlike the “standardized” fee TxDMV proposes, the current (and past) prices are set based on the product mix and customer market that affects each business, with oversight of the pricing by the Tax Collector. The collective business judgment of the FSD owners, over decades of operation—as to what price is necessary or sufficient to cover expenses—has been ignored by the TxDMV rule justification.

TxDMV should also take into account the TxDMV response to a recent public information request from the undersigned FSD attorney for: “Since January 2014, a copy of any complaint

received by TxDMV from anyone identifying themselves as a customer of a full-service deputy.” TxDMV indicated it had no documentation of any complaint from customers of FSDs in the last 2 years. Yet, over 1,000 FSD customers have signed supporting petitions and comments indicating they do not object to the current FSD customer service charges they pay to the FSDs. Those supportive comments and opposition to the TxDMV rule proposal are being separately provided to TxDMV.

Additional FSD Comments on TxDMV’s Price-Fixing Rules Proposal

FSD Comment 1: As is demonstrated by the attached confidential financial information, the proposed rules fixing the price FSDs can charge for their services will cause each of these small businesses—whose customer service prices have been set in the private-sector competitive market (some for over 50 years)—to become unprofitable. Based on the financial records and estimates of the rule’s effect, the proposed rule would decrease grand total revenue of the FSDs by 42%, a multi-million dollar loss of revenue to these companies. The FSDs would not survive the rule if adopted.

FSD Comment 2: Contrary to the assertion in Section 217.181, the proposed fees are not sufficient for these FSD businesses to cover the expenses associated with titling and registration, and the rule violates Tex. Trans. Code section 502.1911(2)(D). This is obvious by a comparison to the current prices the FSDs are charging and the fact that their revenue would be drastically reduced to the point of being unprofitable.

FSD Comment 3: Collectively, these 11 businesses employ at least 70 people, and each of them qualifies as a “small business” pursuant to Tex. Gov’t Code section 2006.001. The proposed rules will have an adverse economic effect on each of these FSD businesses by fixing their prices charged for their services issuing registrations and titles much lower than their prices have been, while also prohibiting any charges at all on certain transactions, such as for temporary permits, (Section 217.184 and 217.18(b)) that the FSDs have been charging for years. The proposed rules erroneously claim that TxDMV is not required, *itself*, by Chapter 2006 to reduce the adverse effect of *its* rule on these small businesses using the mitigating actions listed in Chapter 2006, *e.g.*, separate compliance or exemption from all or part of the rule. Because the authorized “fee” is so much lower than the prices FSDs have been charging, even if the County gave the FSDs 100% of the “county share” of the restricted fee, the FSDs would still experience an adverse and destruction economic effect. Most of these businesses have been charging competitive prices to walk-in customers of \$10 for registration services and \$30 (or more) for titles, as well as \$10 for temporary permits, for example. In addition, no explanation is given in the rule proposal as to why it would be better public policy to require payment of public tax funds from the Tax Collector to keep FSDs from going out of business than to continue to let the customers of the FSD pay out of their pockets the extra cost of using the convenient services of the FSDs.

FSD Comment 4: For the following reasons, the TTI Study, on which the proposed fee rules are based, cannot be said to be an independent study worthy of TxDMV’s reliance on it for price

fixing of FSDs' customer service charges, and the study contains unsubstantiated, false, and incomplete data as to what is costs FSDs to be available for, and to provide, the registration and titling services they provide:

- a. The staff of TxDMV amended the TTI report and refused to disclose publicly the changes the TxDMV staff made. (*See* Tex. Att'y Gen. OR2015-20728).
- b. The 2014 data upon which the TTI Study was based is out of date or was false to begin with. The statement on Page 33 of the report that "To determine estimated costs per transaction, the research team examined financial statements provided by the full-service deputies" is misleading and exceeds the truth.

The Travis County FSDs did not provide "financial statements" but a one-page cumulative estimate of expenses for 2013, not for 2014 as alleged in the TTI Study. The Travis County FSDs also were not asked about the misleading transactions numbers, particularly the double-counting of registrations when a registration is included in a title transaction (which usually occurs).

Contrary to the claim on Page 34 (Table 14), the Bexar County FSDs did *not* provide expense information to TTI. Only 3 of the Bexar County FSDs represented here were even interviewed by the TTI researchers and none of them provided any expense information from their financial records to TTI. The expense amount shown for Bexar FSDs in Table 14 (\$1,976,656) was apparently made up by TTI or by TxDMV staff amendments and that concocted number is suspiciously exactly \$300,000 more than the \$1,676,656 cumulative estimate provided by Travis FSDs.

No observation of customer transactions occurred by the TTI researchers at either Bexar or Travis FSDs although there were customers present when the researchers were there.

- c. As to avoiding an adverse impact prohibited by Tex. Gov't Code ch. 2006 and setting prices sufficient for FSDs under Tex. Trans. Code section 502.1911, the TTI study provides no factual basis for the proposed rules. The TTI Study, at most, studied the transaction costs on average for types of transactions. Averages mask the real impact the rule will have on the FSDs. The TTI Study did not seek to establish the varying costs by locale or costs necessary by the unique situation of each FSD's market, cost of doing business, or product mix. The TTI Study (at page 7) admitted the "Limitations of the Study":

As such, the actual transaction cost for any one county may be different from the statewide average reported here. There can be many reasons for this possible variation including county size, economies of scale, varying degrees of automation across counties, wage rate differentials, and sample error, among others.

- d. The significance of how location can affect actual expenses is demonstrated on the face of Table 14 at Page 34 of the TTI Study. The “Cost Per Transaction” cited (erroneously) for Bexar FSDs is 18.6% higher than the figure provided for Travis FSDs. Government-oriented regulators trying to set prices for private companies may not realize it, but an 18.6% cost reimbursement difference is *huge*, and it’s plenty to eliminate the profitability of a private company. This is particularly disturbing when the price the TxDMV wants to fix is also so far below the prices the FSDs have been charging for many, many years.
- e. Even if it had used reliable, fresh information, the formula in Table 14 is not a realistic way for TxDMV to set prices that will be “sufficient” and avoid “adverse economic effect” on these small businesses, because it fails to take relevant factors into consideration. The Table 14 formula may be an interesting tool to arrive at a *theoretical* “transaction-type cost,” but it bears no resemblance to the economic reality the FSD businesses face. TTI did not claim otherwise and admitted the “limitations of the study.” Traditional prices charged by these businesses with decades of real-life experience in customer satisfaction would be a better indication of the price needed by the private sector to compete effectively and stay in business.
- f. That 18.6% difference in “cost per transaction” between Bexar and Travis was based on erroneous and out-of-date data. But the variance by location may be even worse. Using that formula, but using 2015 transaction information (adjusted to recognize that each title transaction also includes a registration) and actual financial information on expenses from the FSDs, the formula would produce a \$4.69 registration result and a \$14.88 title result in Travis County versus a \$6.16 registration result and a \$19.53 title result in Bexar County—a 31% variance. Those prices are not realistic on which to bet the survival of the FSDs, but the variance by location—a factor ignored in the TTI Study and the TxDMV rules proposal—is clear. The variance between counties also demonstrates how economies of scale and market conditions affect prices. There are many more FSDs in Bexar County than in Travis County, and the more FSD companies there are, the less economies of scale can be achieved to control overall expenses and its effect on prices. Ironically, at the last TxDMV Board hearing on this issue, the Travis County Tax Collector was grilled as to why there were not more FSDs in Travis County. Expansion of more FSDs would cause less efficiency and economies of scale.
- g. The TTI Study provides no factual basis whatsoever for the rule proposal to permit Dealer Deputies to charge the same amount for a title (\$15) as an FSD. TTI did not even study that issue. The economic reality is very different for a company whose profits is affected by selling and servicing vehicles (and providing title paperwork already with a \$150 documentary fee) versus a company whose sole, or at least primary, source of revenue comes solely from providing registration and titling services. The rule proposing to fix the price an FSD can charge for a title transaction at \$15 is also to be compared to TxDMV’s own fee for issuing a bonded title Letter of Rejection, a one-page letter. TxDMV charges \$15 just for that letter without having to take into consideration the private-sector economic costs (like rent, taxes, utilities, profit etc.)

that the private FSDs face in performing title transactions for walk-in customers.

If \$15 is a fair price to allow a Dealer Deputy to charge in that business model and is a fair price for TxDMV's one-page title rejection letter, then, certainly, a substantially higher price is justified for an FSD to provide the services necessary to process a title transfer in the FSD business model.

- h. The TTI Study provides no factual support to the TxDMV rule proposing to unlawfully take profitable transactions (like online registrations) away from the Tax Collector's office and transfer revenue from those transactions to TxDMV. Of course, using a fee-authorizing statute to change the statutorily assigned duties of Tax Collectors exceeds TxDMV's authority to begin with, but moving county revenue to the state and destroying the public-private FSD system is not justified by the TTI Study or otherwise. The TTI Study also did not address other significant features of the proposed rule, such as complete elimination of revenue for FSDs for transactions—for which they currently receive significant revenue—listed in rule Sections 217.184 and 217.185(b). It is cynical and not a truly *reasoned* justification for TxDMV to take away county revenue, set below-market prices for FSDs and then claim the economic harm to FSDs can be made up by the county providing more county revenue to the FSDs.

FSD Comment No. 5: The rule proposal provides no mechanism at all adjusting the fixed price in the future. Government cannot expect businesses, such as these FSDs, to remain available in a market where there is no flexibility to *timely* deal with changing market conditions and costs. While the FSDs have not been raising their prices a lot or often, they have been able to protect themselves against uncontrollable costs, such as utility and property tax increase and necessary pay raises and benefits to retain skilled employees, by adjusting their prices for the variety of transactions they have been performing. If the government is going to fix their prices, there must be a regular and relatively quick way to keep those prices updated, or they will not be able to stay in business.

FSD Comment No. 6: The published justification at 41 TexReg 2932 on Small Business Impact fails to comply with Chapter 2006. Alleging that FSDs' customer service prices have previously been regulated at \$5 for registrations is false. But the justification admits that FSDs almost universally have been charging \$10 to \$15 per registration. The rule setting a registration fee at a rate that is decades old does not mean these small businesses will not experience "an adverse economic effect" as a result of the rule. Saying that there was "no specific authorized amount" for FSDs to charge for title transactions is true, but that fact does not mean there will be no adverse economic effect at setting the price at \$15 when FSDs have been charging more than that. Overall, the Chapter 2006 comments on 41 TexReg 2932-33 duck the truth about the destructive impact the rule will have on the FSDs if implemented as proposed.

FSD Comment No. 7: There are several alternatives TxDMV should consider individually or in combination:

1. The easiest way for TxDMV to comply with the rulemaking requirement of HB 2202 without destroying the FSD small businesses is to use Chapter 2006 to grandfather the rates FSD currently charge.

2. TxDMV should not eliminate the ability of FSDs to charge, as they currently do, for transactions they will be required to provide, such as temporary permits (section 217.185(b)) for which most of the FSDs charge \$10, a significant source of revenue for them. The rule should also permit charging more for Salvage Titles as almost all of the FSDs do.

2. TxDMV could delay the effective date of the rules fixing prices for FSDs until September 1, 2016 and give the Legislature an opportunity to amend its statutes and avoid the adverse impact on the FSDs that is unanimously condemned by the Tax Collectors and County Commissioners Courts in the counties that use FSDs.

3. An alternative is to follow the same approach the department followed regarding setting the FSD bonds (section 217.67) and for regulating the charges for “related transactions” (section 271.168(f): Rely on local control of the prices via the elected Tax Collector. Permitting the Tax Collector to determine the maximum price an FSD can charge and retain from a customer lets TxDMV off the hook of an impossible job setting a standardized fee statewide that would avoid adverse economic impact on a small business. It would also continue the successful practice of letting those who chose to use the convenient service of the FSDs to pay what it costs to keep the FSDs available, instead of placing that burden on other taxpayers who do not use the FSD services.

The TxDMV could authorize the Tax Collector (perhaps with agreement by the County Commissioners Court), based on local market conditions, to establish the maximum amount the FSDs could charge their FSD customers instead of trying to set a standardized statewide amount by the TxDMV rule based on averages and ignoring local market conditions. TxDMV should consider permitting a local supplemental “convenience fee” to be charged to FSD customers and retained by FSDs upon approval by the Tax Collector (with agreement by the County Commissioners Court). For example, Section 217.168(h)) might be amended to read:

“(h) Additional compensation. The fee amounts set forth in this section do not preclude or limit the ability of a county, upon approval by the Tax Collector and the County Commissioners Court, to authorize a deputy to charge the deputy’s customers reasonable amounts in excess of the fees authorized by this rule ~~to provide additional compensation to a deputy out of county funds.~~”

Respectfully submitted,



Bill Aleshire
Bar No. 24031810

AleshireLAW, P.C.
700 Lavaca, Suite 1400
Austin, Texas 78701
Telephone: (512) 320-9155
Facsimile: (512) 320-9156
Bill@AleshireLaw.com

PAGES OF CONFIDENTIAL INFORMATION ARE ATTACHED

ALESHIRELAW
A PROFESSIONAL CORPORATION
700 LAVACA STREET, SUITE 1400
AUSTIN, TEXAS 78701

Bill Aleshire
Bill@AleshireLAW.com
512 320-9155 (call) 512 320-9156 (fax)

May 23, 2016

VIA HAND DELIVERY & email to rules@txdmv.gov

David D. Duncan
General Counsel
Texas Department of Motor Vehicles
4000 Jackson Avenue, Building 1
Austin, Texas 78731

RE: Comments From Full-Service Deputy Companies Regarding TxDMV Chapter 217
(Vehicle Titles and Registration) Proposed Rules ¹

Dear Mr. Duncan:

The following comments are submitted on behalf of my clients, full-service deputies (FSDs) in Bexar County and Travis County. These comments are in addition to the comments and documentation submitted separately related to the financial impact on these FSDs of the proposed rules (FSD Comments Nos. 1 thru 7) and comments from FSD customers. The full-service deputies on whose behalf these comments are submitted are:

(Bexar County): (1) Auto Title Express, (2) GM&N Auto Title Service, (3) San Antonio Auto Title, Inc., (4) Tisdale LLC, (5) Texas Auto Title, (6) Texas Tag and Title, (7) River City Auto Title,
(Travis County): (8) Auto Title Service, (9) Auto Title Service of Oakhill, (10) Fry Auto Title Service, and (11) Universal Auto Title Service.

The Proposed Rules Exceed TxDMV's Statutory Authority

Overall, the TxDMV rule proposal looks like a power and money grab by TxDMV in violation of statutes giving local control to Tax Collectors and Commissioners Courts and the fee revenue associated with such local responsibilities. Of particular importance to FSDs, the rule proposal purports to give TxDMV authority to directly interfere in the relationship between Tax Collectors and the deputies appointed by the Tax Collector.

¹ 41 TexReg 2920 –937 (April 22, 2016)

FSD Comment No. 8: The statutory scheme for vehicle registration and titling does not give TxDMV the authority to directly supervise FSD work nor to decide who can function as an FSD. Appointment and supervision of FSD work is, statutorily, the sole prerogative of the Tax Collector who deputizes the FSD. The statutes give Tax Collectors the duty and authority to process vehicle registration and titling, and defines the TxDMV role as merely supportive.

The TxDMV rule proposal seeks to misuse its statutory authority limited to merely setting and allocating fees and authorizing a lease of RTS terminals, to take duties (and associated revenue) away from Tax Collectors and to interfere in the Tax Collector's duty and authority over the deputies appointed by the Tax Collector. *See e.g.*, rule proposal Section 217.29 conflicting with Tex. Trans. Code section 520.005 regarding the Tax Collector's online registration processing duties; rule proposal Section 217.163(j) requiring an agreement with provisions going far beyond a mere equipment lease contemplated in Tex. Trans. Code section 520.0093.

FSD Comment No. 9: Since the RTS terminal is the sole means by which an FSD can perform its deputy duties, if TxDMV refuses to provide the terminal or cuts off the RTS service, TxDMV is, *de facto*, deciding who can serve as a deputy of the Tax Collector. That usurps the exclusive authority of the Tax Collector pursuant Tex. Trans. Code section 520.0071(b) to decide whom to deputize.

The rule proposal should be changed to eliminate or amend all provisions of Section 217.163(j)(1) thru (9) to provide, instead, that TxDMV may provide information to the Tax Collector to support a request that the Tax Collector suspend or cancel the deputy status of any person TxDMV believes should not be operating as the Tax Collector's deputy. It would then be the decision of the Tax Collector to decide whether to suspend the deputy and to provide due process in such a decision. Under no circumstances should TxDMV or anyone else summarily cut off the ability of a deputized person from performing their duties, particularly without the deputy being given specific notice of the reason for such action and a prompt hearing in conformance with due process. The rule proposal exceeds TxDMV's statutory authority because TxDMV has no direct enforcement authority over a Tax Collector's deputies merely because TxDMV provides equipment or adopts forms and processes for registration and titling.

FSD Comment No. 10: What is the statutory authority for TxDMV to require, as a condition for a Tax Collector's deputy to operate, for *each* of the specific requirements in Section 217.163(j)? For example, Section 217.163(j)(1) requires full service deputies to identify *to TxDMV* everyone with ownership interest in the company; (2) requires up-to-date lists of all deputy employees to be provided *to TxDMV*, (4) purports to give TxDMV the unilateral authority to suspend operation by the Tax Collector's deputy, (8) requires a full service deputy to "understand and agree that the department may conduct an audit of the full service deputy's operations"; and (9) requires a deputy to make "its audited financial statement" available to TxDMV.

TxDMV has general rulemaking authority but only those rules that are "necessary and appropriate." (Tex. Trans. Code section 1002.001). Rules that interfere with the Tax Collector's administration of his office and of his deputies are not "appropriate." For whatever public good

the TxDMV believes such contract provisions may involve, the department cannot use rulemaking as a way of usurping the Tax Collector's authority to fund, control and administer his office. TxDMV should, at most, require the Tax Collector to collect the information and perform the audits instead of doing so itself. In addition, none of the FSDs represented here have "audited financial statements." All of the provisions of Section 217.163(j) increase the costs of doing business as an FSD and none of those conditions was taken into consideration in the TTI cost study, nor is there mention of this cost in the fiscal note.

The Rule Proposal does not comply with Tex. Gov't Code ch. 2006

FSD Comment No. 11: The rule proposal purports to assess the impact on small businesses, such as the FSD represented here, on Pages 41 TexReg 2923 and 41 TexReg 2932-33. The TxDMV impact "assessment" is best described as a "punt" to avoid altogether the fact that the rule will have an adverse economic effect on these small businesses. As it stands, the rule proposal violates Tex. Gov't Code ch. 2006 by failing to provide the assessment required and by failing to provide means by which to mitigate the harm the rules will have on small businesses.

TxDMV claims at 41 TexReg 2923 that there is no impact because counties might be able to pay FSDs more for their services from county revenue than the proposed TxDMV price limits would permit FSDs to directly charge their customers. There is nothing in Chapter 2006 that says a state agency can adopt rules with adverse economic impact on small businesses while forcing an unfunded mandate on local government to pay for the damage the state agency's rule will cause. This is particularly cynical on TxDMV's part when its proposed rules *reduce* the overall revenue in counties like Bexar and Travis where the FSDs are located. (See 41 TexReg 2921 where TxDMV admits that the proposed county compensation for a walk-in registration (of \$2.30) is "slightly lower than the TTI conclusion," thus demonstrating TxDMV's lack of a factual basis for reducing county revenue). And the "logic" of the rule comment on small business impact practically admits that the fee structure may not be sufficient for FSDs to survive.

At 41 TexReg 2932, TxDMV attempts to excuse its lack of compliance with Chapter 2006 to prepare a regulatory flexibility analysis by erroneously claiming that the price the rule fixes for title transactions is "*similar* to what full service deputies currently charge, according to the data provided." First of all, that statement is false, because the \$15 price limit is below the price charged by the great majority of FSDs represented here. Second, restricting the price for titling to an amount that is below the current price of *any* small business is still an adverse economic effect on that business. Chapter 2006 cannot be ignored as to its adverse economic effect on some small businesses, just because there may be some other small businesses who could survive the effect. Unfortunately, *none* of the FSDs represented here believe they could stay in business under the rules as currently proposed.

Also at 41 TexReg 2932, TxDMV purports to explain its lack of a regulatory flexibility analysis by claiming "the impact will be neutral to positive, in that deputies across the state will operate on a level playing field and with a clear understanding of their duties and obligations and the rates they may charge." This statement demonstrates that the rule creators are not in touch with the economic realities that affect the pricing and expenses of private FSDs. The FSDs do not

compete statewide, but are limited to the county in which they are deputized. So having statewide continuity in price is of no benefit to them at all. In fact, because the cost of doing business does differ between counties, and even within areas of a county, a “standardized” or fixed price is, on its face, insufficient at least in some cases.

TxDMV is incorrect that its rules proposal will not have any adverse economic effect on any small businesses. To comply with Chapter 2006, TxDMV must conduct a regulatory flexibility analysis and provide a means to those small businesses to avoid the adverse impact of the proposed rules.

There is no “Public Benefit” or Taxpayer Savings from the Proposed Rules

FSD Comment No. 12: At 41 TexReg 2922-23, TxDMV purports to explain the public benefit of the rules proposal: “Implementation of the rules will also *standardize the costs for delivering* registration services to the public regardless of where or in what manner the transaction is processed.” (emphasis added). There is no factual basis for this statement, particularly as it would apply to FSDs. The rules do nothing to reduce the “costs for delivering” FSD services; the rules merely drastically reduce *the revenue* FSDs would have available to pay the “costs of delivering” its services.

The statement is also made: “To the extent there are minor overall increases in cost to the public as a result of implementation of the process and handling fee, this cost is required by statute, which states that the fee must be set in an amount sufficient to cover the costs of the department, county tax assessor-collectors, deputies, and other specified elements of providing the registration services.” This statement ignores the fact that taxpayers in general have been insulated from the cost of supporting FSDs, who have been self-supporting from the convenience service charges they charge, and their customers voluntarily pay. None of the FSDs represented here have retained any amount of the “fees” they have been collecting.

No county taxpayer who chooses not to use the services of the FSD has had to pay more in order to support the existence of the FSDs. Only FSD customers who choose to use services from the FSD have paid for such services. Ironically, that notion of having non-FSD customers contribute fee or tax revenue to keep FSDs available comes from TxDMV (*see* 41 TexReg 2923 discussion of supplementing FSDs from county tax revenue). This statement also ignores the well-documented and dire warning issued by Bexar and Travis officials as to the impact on taxpayers if this rules proposals caused FSDs to close their doors.

The public-private FSD system has worked well with no economic burden on anyone not willingly taking advantage of the convenience of using the FSDs. No FSD customers have complained about the FSD service charges and *thousands* of FSD customers have taken the time to comment against the TxDMV rule proposal.

Grandfathering the current prices charged by FSDs or permitting the local control through elected Tax Collectors to continue while affording the flexibility needed to avoid adversely impacting these small businesses is a much better approach than the TxDMV rule proposes. And

the public benefit of not messing up the FSD system is clear.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bill Aleshire".

Bill Aleshire
Bar No. 24031810
AleshireLAW, P.C.
700 Lavaca, Suite 1400
Austin, Texas 78701
Telephone: (512) 320-9155
Facsimile: (512) 320-9156
Bill@AleshireLaw.com

From: [Bob Ballard](#)
To: [Zz - Resource - GCO Rules](#)
Subject: "Rule Proposal on CH. 217 affecting full-service deputies"
Date: Monday, May 23, 2016 7:47:22 AM

To TxDMV

May 23nd, 2016

David D. Duncan,

In regards to "Rule Proposal on CH. 217 affecting full-service deputies". I have been using Universal Title Company for over 30 years, and their pricing schedule is completely satisfying to me. I want to continue to exercise my right to choose where to complete my auto title and licensing needs. I want to continue to use Universal Tile Company to service my auto title and licensing needs.

Bob Ballard

512-940-7093

See attached document.

Bob Ballard
General Manager & Lead Estimator
Ballards Asphalt & Concrete
Email: ballards-asphalt@sbcglobal.net
Office: (512) 278-8777
Mobile: (512) 940-7093



RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS, AND REDUCE LOCAL CONTROL

WHEREAS, the Bee County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicle; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized of the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classifications types; and

WHEREAS, the Bee County Tax Assessor-Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

NOW, THEREFORE BE IT RESOLVED that the Bee County Commissioners Court opposed the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

PASSED AND APPROVED this 23 day of May, 2016.

A handwritten signature in black ink, appearing to read "S. Silvas", is written over a horizontal line.

Stephanie Silvas
County Judge

A handwritten signature in black ink, appearing to read "Carlos Salazar Jr.", is written over a horizontal line.

Carlos Salazar Jr.
Commissioner, Precinct 1

A handwritten signature in black ink, appearing to read "Eloy Rodriguez", is written over a horizontal line.

Eloy Rodriguez
Commissioner, Precinct 3

A handwritten signature in black ink, appearing to read "Dennis Dewitt", is written over a horizontal line.

Dennis Dewitt
Commissioner, Precinct 2

A handwritten signature in black ink, appearing to read "Kenneth Haggard", is written over a horizontal line.

Kenneth Haggard
Commissioner, Precinct 4

Resolution # 5-23-2016 - 1

RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COST, AND REDUCE LOCAL CONTROL

WHEREAS, the Castro County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

Whereas, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

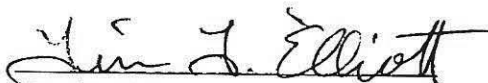
Whereas, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

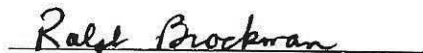
Whereas, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

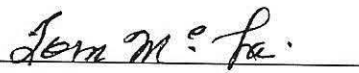
NOW, THEREFORE BE IT RESOLVED that Castro County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.


PASSED AND APPROVED this 23rd day of May, 2016.


Carroll Gerber
County Judge


Timothy Elliott
Commissioner, Precinct 2


Ralph Brockman
Commissioner, Precinct 4


Tom McLain
Commissioner, Precinct 1


Steve Smith
Commissioner, Precinct 3


Pamala Rickert
Tax Assessor/Collector

THE STATE OF TEXAS

COUNTY OF COLLIN

Subject: Resolution, Opposing the Texas Department of Motor Vehicles Proposed Rule Changes – Commissioners Court

On **May 23, 2016**, the Commissioners Court of Collin County, Texas, met in **regular session** with the following members present and participating, to wit:

Keith Self
Susan Fletcher
Cheryl Williams Not Present
Chris Hill
Duncan Webb Not Present

County Judge, Presiding
Commissioner, Precinct 1
Commissioner, Precinct 2
Commissioner, Precinct 3
Commissioner, Precinct 4

During such session the court considered adoption of the following resolution opposing the Texas Department of Motor Vehicles proposed rule changes to Chapter 217, Texas Administrative Code, regarding vehicle title and registration fees.

WHEREAS, the Board of the Department of Motor Vehicles is proposing rule changes to Chapter 217, Texas Administrative Code, regarding vehicle title and registration fees; and

WHEREAS, legislative discussions on the legislation authorizing the change from a statutory fee schedule to a fee schedule set by the agency included assurances that the change would not result in a revenue loss to counties; and

WHEREAS, in the case of Collin County, the proposed fee schedule appears to violate that understanding; and

WHEREAS, the study acknowledges concerns raised in high growth counties that the compensation fees already do not match the increases in transaction volume over time; and

WHEREAS, the TTI study also indicates that the proposal will cost counties more than the revenue provided, requiring counties to subsidize the vehicle registration and title process; and

WHEREAS, despite assurances that the proposed rules would offset the revenue loss to counties, the department's own data indicates that the proposed changes will cost Collin County approximately \$700,000; and

WHEREAS, an arbitrary cap on the amount that title service providers may charge also threatens that successful public-private partnership, which will increase county costs to perform this function if the title service providers cease to operate;

NOW, THEREFORE, BE IT RESOLVED THAT the Collin County Commissioners Court opposes final adoption of the proposed rule changes to Chapter 217 unless fees to be retained by counties are adequate to cover the costs and prevent an unfunded mandate; and be it further resolved that fees retained by title service providers not be arbitrarily capped preventing those service providers from saving counties money.

PASSED AND APPROVED this 23RD day of May, 2016.



Keith Self, County Judge

Susan Fletcher, Commissioner, Pct. 1

Not Present

Cheryl Williams, Commissioner, Pct. 2

Chris Hill, Commissioner, Pct. 3

Not Present

Duncan Webb, Commissioner, Pct. 4

ATTEST:

Stacey Kemp, Ex-Officio Clerk
Commissioners Court
Collin County, T E X A S



RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS, AND REDUCE LOCAL CONTROL

WHEREAS, the Brown County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and the changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

WHEREAS, the Brown County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

NOW, THEREFORE BE IT RESOLVED that the Brown County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

PASSED AND APPROVED this 23RD day of May, 2016.

E. Ray West, III
County Judge

Gary Worley
Commissioner, Precinct 1

Joel Kelton
Commissioner, Precinct 2

Wayne Shaw
Commissioner, Precinct 3

Larry Traweck
Commissioner, Precinct 4

May 23, 2016
(Exhibit #3)



JERI COX, TAX ASSESSOR-COLLECTOR
319 N. CHURCH ST. ROCKPORT, TX 78382
361/790-0160 e-mail: jcox@aransascounty.org

May 23, 2016

Texas Department of Motor Vehicles
c/o David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, TX 78731

RE: Comments to Proposed Amendments Published in the Texas Register, April 22, 2016

Proposed TAC, Chapter 217

“The purpose of these proposed rules is to support the department's mission to serve, protect, and advance the citizens and industries in this state with quality motor vehicle related services. To accomplish this mission, in this and related packages, the department proposes rules that will ensure accountability and transparency in the provision of services, combat fraud, streamline and standardize processes across the state, set service standards to enhance consumer confidence, allow for more funding to go toward transportation, establish structures that allow for cost-savings in the future, and modernize services to bring them in line with the needs of today's and tomorrow's consumers.”

1. After reading all of the proposed Chapter 217 amendments and **the purpose of these proposed rules** and reflecting on the inconsistency of the proposed fee structures that vary according to the registration renewal method (on-line, walk-in, mail-in, full or limited service deputies, etc.), I have to ask: How does charging a customer more to enter my office to renew their registration result in “a streamline and standardize process across the state”? With a “low fee incentive” to renew on-line, you are encouraging citizens to pay less to their County coffers, there-by increasing funds for State coffers, with the result of an un-funded mandate handed down by state government to the local government level.
2. In the State’s promotion of on-line registration renewal and changing the rules regarding mandatory plate replacement at seven years of age with a result of additional cost-savings for both the State and Counties, these rules are disregarding the safety needs of Texas law enforcement for license plates to have high reflectivity on our Texas highways.

Proposed TAC, Chapter 217, Subchapter H, Deputies:

Section 217.165 – Inspection Deputies: State law recently removed the issuance of safety inspection stickers (and the State’s portion of inspection fees) by the Department of Public Safety and TX DMV created the program “Two Steps – One Sticker” moving the collection of the state’s portion of inspection fees to the offices of the 254 County Tax Assessor-Collectors.

1. We have accepted this additional responsibility, and therefore, the increased personal liability amounts, along with increased customer contact explaining the new process to our constituents, and yet we have not received any additional

funding from the State of Texas.

2. Now TX DMV is proposing a creation of an Inspection Deputy that would result in the Department of Public Safety again collecting State funds in addition to County registration funds.
3. I oppose the creation of Inspection Deputies as I do not believe it would better serve the Public. It would create confusion to our customers if some inspection stations become inspection deputies and others do not. As a small county with no service deputies, limited or full, I would not want to accept the liability of their collections.

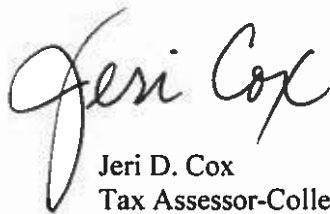
Proposed TAC, Chapter 217, Subchapter J, Performance Quality Recognition Program:

Section 217.205 The department may revoke a recognition level or demote a recognition level if the department discovers information which shows the applicant no longer complies with the criteria for the recognition level.

1. It is my opinion the proposed rule is not specific enough regarding what the "discovered information" difference would be that could either result as a "revoke" or "demote".

It is my personal belief that the majority of these proposed amendments, especially the different fee structure for different types of transactions and centralized on-line renewal process through a third-party vendor, is not in the best interest of the citizens of Aransas County.

Sincerely,

A handwritten signature in black ink that reads "Jeri Cox". The signature is fluid and cursive, with the first letters of "Jeri" and "Cox" being capitalized and prominent.

Jeri D. Cox
Tax Assessor-Collector
Aransas County

jdc

DENTON COUNTY COMMISSIONERS COURT

05/17/2016

Month Day Year

Court Order Number

16. A.

THE ORDER:

Approval of Denton County Resolution opposing final adoption of the Texas Department of Motor Vehicles proposed rule changes to Chapter 217, Texas Administrative Code, regarding County Subsidy of Vehicle Registration and Title Services, and any appropriate action. County Judge

Motion by Horn

Seconded by Marchant

County Judge
Mary Horn

Yes ☒
Abstain ☐
No ☐
Absent ☐

Commissioner Pct No 1
Hugh Coleman

Yes ☒
Abstain ☐
No ☐
Absent ☐

Commissioner Pct No 2
Ron Marchant

Yes ☒
Abstain ☐
No ☐
Absent ☐

Commissioner Pct No 3
Bobbie J. Mitchell

Yes ☐
Abstain ☐
No ☐
Absent ☒

Commissioner Pct No 4
Andy Eads

Yes ☐
Abstain ☐
No ☐
Absent ☒

Motion Carried 3-0-0

Other Action: Pulled from Consent ☐

No Action ☐

Postponed ☐

BY ORDER OF THE COMMISSIONERS COURT:

ATTEST:

Presiding Officer

APPROVED AS TO FORM:

Assistant District Attorney

Juli Luke, County Clerk
and ExOfficio Clerk of the
Commissioners Court of
Denton County, Texas

Deputy County Clerk

Resolution
Opposing Proposed Rule Changes regarding Vehicle Registration and Title Services

WHEREAS, the Board of the Department of Motor Vehicles is proposing rule changes to Chapter 217, Texas Administrative Code, regarding vehicle title and registration fees; and

WHEREAS, legislative discussions on the legislation authorizing the change from a statutory fee schedule to a fee schedule set by the agency included assurances that the change would not result in a revenue loss to counties; and

WHEREAS, in the case of Denton County, the proposed fee schedule appears to violate that understanding; and

WHEREAS, the study acknowledges concerns raised in high growth counties that the compensation fees already do not match the increases in transaction volume over time; and

WHEREAS, the TTI study also indicates that the proposal will cost counties more than the revenue provided, requiring counties to subsidize the vehicle registration and title process; and

WHEREAS, despite assurances that the proposed rules would offset the revenue loss to counties, the department's own data indicates that the proposed changes will cost Denton County approximately \$330,000.00; and

WHEREAS, an arbitrary cap on the amount that title service providers may charge also threatens that successful public-private partnership, which will increase county costs to perform this function if the title service providers cease to operate.

NOW, THEREFORE, BE IT RESOLVED THAT the Denton County Commissioners Court opposes final adoption of the proposed rules changes to Chapter 217 unless fees to be retained by counties are adequate to cover the costs and prevent an unfunded mandate; and be it further resolved that fees retained by title service providers not be arbitrarily capped preventing those service providers from saving counties money.

Done in open court, this the 17th day of May 2016 upon motion made by Judge Horn and seconded by Comm. Marchant, and 3 members of the court being present and voting.

Hugh Coleman
HUGH COLEMAN, COMMISSIONER
PRECINCT 1

Mary Horn
MARY HORN, COUNTY JUDGE

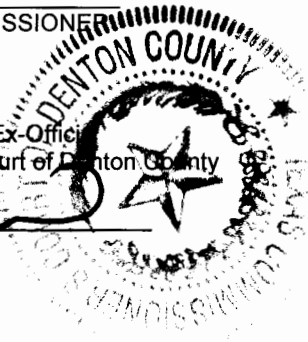
Ron Marchant
RON MARCHANT, COMMISSIONER
PRECINCT 2

Absent
BOBBIE J. MITCHELL, COMMISSIONER
PRECINCT 3

Absent
ANDY EADS, COMMISSIONER
PRECINCT 4

ATTEST:
JULI LUKE, County Clerk and Ex-Officio
Clerk of the Commissioners Court of Denton County

BY: Juli Luke





RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS AND REDUCE LOCAL CONTROL

WHEREAS, the DeWitt County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund and allows county revenues to be set by board rule; and

WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors and the various deputy classification types; and

WHEREAS, the DeWitt County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and


WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs and reduce local control.

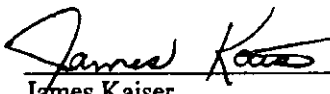
NOW, THEREFORE BE IT RESOLVED that the DeWitt County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

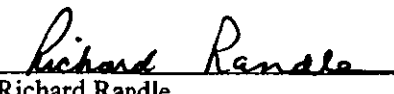
PASSED AND APPROVED this 23 day of MAY, 2016.


Daryl W. Fowler, DeWitt County Judge

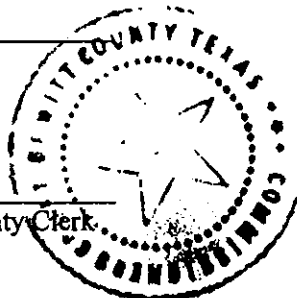

Curtis G. Afflerbach
Commissioner, Precinct 1


James B. Pilchick, Sr.
Commissioner, Precinct 2


James Kaiser
Commissioner, Precinct 3


Richard Randle
Commissioner, Precinct 4


Attest, Natalie Carson, County Clerk





RECEIVED

MAY 23 2016

TxDMV
OFFICE OF GENERAL COUNSEL

BRUCE ELFANT

TAX ASSESSOR - COLLECTOR
VOTER REGISTRAR

May 23, 2016

Mr. David D. Duncan,
General Counsel, Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, Texas 78731

Dear Chairwoman Ryan and Board Members:

Our comments regarding the proposed amendments to Chapter 217, Texas Administrative Code are as follows;

Chapter 217.163 -THREE PARTY AGREEMENT WITH TXDMV

Tax assessors have been authorized to contract with private sector full service deputies for at least 50 years. These contracts must be drafted and recommended by county attorneys, and approved by commissioner's courts. All deputies must be bonded in amounts high enough to prevent any loss to TxDmv or counties as a result of accidental or intentional means.

The only rationale for proposing Three Party Agreements we have heard revolves around *unspecified* differences in contracts between tax assessors and full service deputies. TxDmv has never communicated to us they believe contracts between Travis County and auto title companies are in some way deficient.

Counties currently contract directly with full service deputies and are responsible for enforcing all state laws and rules. The Three Party proposal is unnecessary and would usurp county authority to be able to determine for themselves who they may contract with for services. We would welcome the publication of sample contracts between counties and private sector auto title companies that could be used for guidance but bond requirements, statutory requirements and current rules are more than sufficient to protect all interests involved.

Finally, we believe that TxDmv's authority to terminate access to RTS should require;

- TxDMV to first work with tax assessors to attempt address issues with full service deputies,
- an administrative appeal process that should include a clear explanation of the charges and a list of remedies that the businesses can implement if the removal of access was prompted by the wrongdoing of individual employees rather than negligence on the part of the business or its owners, or
- filing of criminal charges

Having been an elected law enforcement official for 20 years, I certainly have no tolerance for fraud but there must be an ability to quickly appeal a TxDMV action of this nature.

Chapter 127.168, Deputy Fee Amounts

Private sector full service deputies have provided registration and title services on behalf of the Travis County Tax Office for more than 50 years. These businesses currently process about 100,000 title transactions per year on behalf of customers who **choose** to use them and agree to pay a little more for the convenience. To my knowledge, no complaints have been lodged against these businesses with the Tax Office or TxDMV. This partnership has saved Travis County taxpayers millions of dollars and represents the very best of public/private partnership collaborations.

We understand that the Texas Legislature has directed TxDMV to establish fees that full service deputies may charge. Setting low standard registration and title fees for private sector auto title companies ignores the reality that the cost of doing business varies widely across Texas and even within Travis County. All four Travis County auto title service companies that have partnered with the Travis County Tax Office for several decades to provide registration and title services have stated that the proposed fee caps would not allow them to stay in business (Attachment 1). We see no public good that would be derived as a result of the proposed rules that attempt to unreasonably regulate businesses that should be governed by customers freely choosing where to go for registration and title services in a free market.

We urge the TxDMV board to consider an alternative to the staff proposal for the following reasons:

- The fee proposal was partially based on a three year old study conducted by the Texas Transportation Institute that did not include observations of customer transactions and does not reflect their current operating costs.

- There are no provisions in this proposal to adjust fees periodically due to increasing costs of doing business. Property values in the Austin area are rising more rapidly than just about anywhere in Texas, which contributes to an upward pressure on business costs. TxDMV Staff have made clear that they have no interest in revisiting these fees any time soon. Private sector businesses (unlike tax offices) will not continue to provide services if the fees they must charge are not sufficient to enable them to earn a profit. Fees should be set high enough to account for varying costs of doing business and enable the auto title companies to increase their charges as needed without having to regularly request increases from TxDMV.
- Capping fees for the only service these businesses provide runs contrary to free market principles that are governed by supply and demand. In order to survive, these businesses must offer competitive fees and services.
- If these companies are unable to continue their operations, Tax Office employees would have to immediately begin processing about 100,000 additional vehicle titles at an estimated cost to local taxpayers of about \$1 million plus space for 17 new employees.

Travis County residents have always had the option to either come to the Tax Office for registration and title services or use one of the auto title services. Establishing fees that would not allow these businesses to operate at a profit would result in fewer options and increased costs for Travis County residents, and a loss of jobs. We can find no public benefit to interfering in the market-set service charges as contained in the proposed Chapter 217.168.

We take TxDMV board members at their word that they do not wish to put these companies out of business and offer the following suggestions to resolve this issue.

- **Delegate setting auto title service fees to counties, or**
- **Set a broad fee range for registrations and titles as was done with bonds and authorize tax assessors to establish fee caps within the range.** This would allow these businesses to earn a profit for a number of years before caps would need to be revisited as a result of inflation. They would be regulated by the free market and would raise fees too high at their own peril.

Chapter 217.167, Fiscal Note

The TxDMV staff fiscal note for Chapter 217.167 states that there would be no foreseeable economic implications relating to costs or revenues to local government or small and micro-businesses. The rationale for this statement appears to assume;

1. **The proposed fees would cover the cost of service and allow for a reasonable profit as determined by the (three year old) TTI study.**
Representatives for all four Austin area auto title companies testified that the proposed fees **would not** allow them to earn a reasonable profit or even cover their costs. In fact, they said that the proposed fees would put them out of business.

It is our position that the proposed fees contained in Chapter 217.167 **would** absolutely constitute an adverse impact to small or micro-businesses.

2. **No adverse impact because local governments could cover any shortfall that might occur.** According to this line of reasoning any fiscal note for any proposed legislation or rule could conclude that there would be no adverse fiscal impact because theoretically some entity or individual could always make up the difference.

If a county had to provide additional compensation to auto title companies in order to keep them in business (and it is not clear that they could legally do so), the result of the proposed rule would constitute an adverse impact on local government.

It is abundantly clear that the impact of these proposed fees would have an adverse impact on small businesses, local governments or both.

Chapter 217.185, Fees

The TxDMV staff fiscal note for Chapter 217.185 states that for certain operations counties would reap some savings and see a reduction in overall operation costs. But the fiscal note also acknowledges that in the aggregate, millions in costs for providing registration and title services would be shifted to counties. The 3 year old TTI study which was used to help determine the appropriate compensation that counties should receive, did not take into account any of the unintended consequences of Two Steps One Sticker (we are still experiencing a 30% rejection rate) or NVITAS (1FTE doing nothing but NVITAS) which is having a significant impact on tax assessors throughout Texas.

While we can't speak for all counties, it appears that the largest counties would bear a disproportionate burden of reduced compensation while many smaller counties would actually receive increased compensation. The net loss to Travis County would be about \$155,000 for the first year (Attachment 2).

It is our opinion that the shift in costs and compensation onto counties for providing vehicle title and registration services as proposed in Chapter 217.185 **would** constitute an adverse impact on county government.

Chapter 217.29 Online Vehicle Renewals

We fully support efforts to encourage online vehicle registration renewals. But we have concerns that the proposed fees which would provide far more reimbursement to counties for in person and mail transactions than for online would serve as a disincentive for counties to encourage citizens to renew online. This proposal would reduce revenue to Travis County far beyond what we spend (1 FTE) to process online renewals.

While most of the proposed rules changes have been vetted in various forums this proposal to centralize processing of online vehicle renewals is a brand new concept to tax assessors and leaves many with more questions than answers along with concerns about unintended consequences.

- How will combination plates be issued to customers (annual issue plates) that are currently issued during the renewal process?
- How will exempt plates be issued to vehicles that have not cycled through (under two steps one sticker)?
- How will transactions that require customer interface be handled, in addition to registrations not received, defective stickers, inspection not verified, etc.? Will these types of transactions have to be researched and resolved by tax office personnel or reverted back to the vendor?
- Will this be a two phase process for the customer? Will they renew online and be referred to the Tax Office for new plates or will the vendor be issued inventory for these occasions?
- Will the turn-around time for the vendor meet the current expectations of Travis County taxpayers who currently have their transaction processed and mailed the next business day so that is received within 2 – 5 business days of the date of purchase?

Section 520.005(d), Texas Transportation Code requires tax assessors to process registration renewals but the proposed rules relieve tax assessors from a portion of these duties. The Travis County Tax Office has reviewed this issue and determined that the proposed regulations openly conflict with existing Transportation and Administrative Law Code provisions. Therefore, it is our position that the proposed regulations are invalid and unenforceable against a County like Travis.

Given that tax assessors have not been briefed on how a consolidation of online transactions would work, and that there are questions regarding whether TxDMV even has the authority to remove this responsibility from TACs, we recommend that this proposal be set aside until the Texas Legislature has addressed this and tax assessors have had the opportunity to understand how this would work and offer their input. An alternative suggestion would be to allow counties to choose whether to opt in to having their county's online registration renewals centralized.

We appreciate the opportunity to provide our comments to the TxDMV Board of Directors and look forward to working with all of you to address and resolve all issues that have been raised.

Respectfully submitted by,

A handwritten signature in black ink, appearing to read "Bruce Elfant", written in a cursive style.

Bruce Elfant
Travis County Tax Assessor
& Voter Registrar

Attachment 1: Fees Charged by Title Services

Oak Hill Title Service

Title	(Public)	\$ 21.00
	(Dealer)	\$ 6.00 (high volume) \$10.00 (small volume)
Registration Renewal		\$7.00
Replacement		\$7.00
Exchange		\$7.00
Permits		\$8.00

Auto Title Cesar Chavez

Title	(Public)	\$ 20.00
	(Dealer)	\$6.00 (high volume) \$20.00 (small volume)
	(Salvage)	\$20.00-\$30.00 based on # of transactions presented
Registration Renewal		\$10.75
Replacement		\$10.00
Exchange		\$
Permits		\$10.00

Universal Title Service

Title	(public)	\$20.00
	(Dealer)	\$8.00
	(Salvage)	\$40.00
Registration Renewal		\$6.00
Replacement		\$6.00
Exchange		\$6.00
Permits		\$10.00

Fry Title Service

Title	(Public)	\$40.00 Title Transfers: (includes registration renewals or just transfer of current registration-no additional fee for the registration)
	Non Title	\$14.00
	(Dealer)	\$6.00- \$14.00 depending on the volume and agreement with
Dealership		
Registration Renewal		\$10.00
Replacement		\$10.00
Exchange		\$10.00
Permits		\$10.00
Duplicates & Inquiries		\$5.00
Specialty plates		\$15.00

Attachment 2: Impact of TxDMV Plan Without Title Services

FY14 Actuals				Cost to Travis County				Cost to Vehicle Owners				Impact			
				TxDMV Proposal				TxDMV Proposal							
County Compensation		New County Compensation		Reduced Expense		Loss/Savings		Current Fee		New Base Fee		Loss/Savings			
Internet															
199,460		199,460		199,460				199,460		199,460					
\$ 2.90		\$ 0.25		\$ 1.36		\$(1.29)		54.75		54.50		\$ 0.25			
\$ 578,434.00		\$ 49,865.00		\$ 271,265.60		\$(257,303.40)		\$ 10,920,435.00		\$ 10,870,570.00		\$ 49,865.00			
Mail-in															
151,250		151,250		151,250				151,250		151,250					
\$ 2.90		\$ 2.30		\$ -		\$(0.60)		52.75		55.75		\$ (3.00)			
\$ 438,625.00		\$ 347,875.00		\$ -		\$(90,750.00)		\$ 7,978,437.50		\$ 8,432,187.50		\$ (453,750.00)			
Limited Service (Grocery Stores)								Limited Service (Grocery Stores)							
133,010		133,010		133,010				133,010		133,010					
\$ 1.90		\$ 1.30		\$ -		\$(0.60)		52.75		55.75		\$ (3.00)			
\$ 252,719.00		\$ 172,913.00		\$ -		\$(79,806.00)		\$ 7,016,277.50		\$ 7,415,307.50		\$ (399,030.00)			
In Person								In Person							
497,992		497,992		497,992				497,992		497,992					
\$ 1.90		\$ 2.30		\$ -		0.40		51.75		55.75		\$ (4.00)			
\$ 946,184.80		\$ 1,145,381.60		\$ -		199,196.80		\$ 25,771,086.00		\$ 27,763,054.00		\$ (1,991,968.00)			
Exempt Vehicle Registration								Total Loss				Total Loss			



RESOLUTION
GRAYSON COUNTY COMMISSIONERS COURT

WHEREAS, the Board of the Department of Motor Vehicles is proposing rule changes to Chapter 217, Texas Administrative Code, regarding vehicle title and registration fees; and

WHEREAS, legislative discussions on the legislation authorizing the change from a statutory fee schedule to a fee schedule set by the agency included assurances that the change would not result in a revenue loss to counties; and

WHEREAS, in the case of Grayson County, the proposed fee schedule appears to violate that understanding; and

WHEREAS, the study acknowledges concerns raised in high growth counties that the compensation fees already do not match the increases in transaction volume over time; and

WHEREAS, the TTI study also indicates that the proposal will cost counties more than the revenue provided, requiring counties to subsidize the vehicle registration and title process; and


WHEREAS, despite assurances that the proposed rules would offset the revenue loss to counties, the department's own data indicates that over the next five (5) years the proposed changes will cost Grayson County approximately \$129,000.00; and

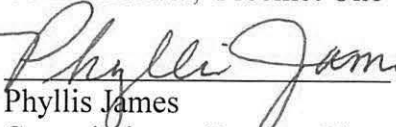
WHEREAS, an arbitrary cap on the amount that title service providers may charge also threatens that successful public-private partnership, which will increase county costs to perform this function if the title service providers cease to operate;


NOW, THEREFORE, BE IT RESOLVED THAT the Grayson County Commissioners Court opposes final adoption of the proposed rules changes to Chapter 217 unless fees to be retained by counties are adequate to cover the costs and prevent an unfunded mandate; and be it further resolved that fees retained by title service providers not be arbitrarily capped preventing those service providers from saving counties money.

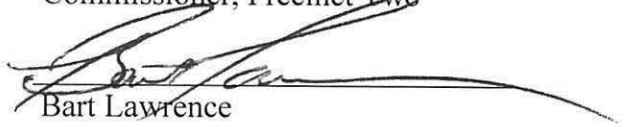
Adopted this the 24th day of May, 2016 at a regular meeting of the Commissioner's Court.

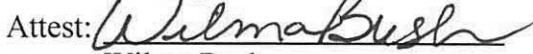

Bill Magers
Grayson County Judge


Jeff Whitmire
Commissioner, Precinct One


Phyllis James
Commissioner, Precinct Three


David Whitlock
Commissioner, Precinct Two


Bart Lawrence
Commissioner, Precinct Four

Attest: 
Wilma Bush
County Clerk

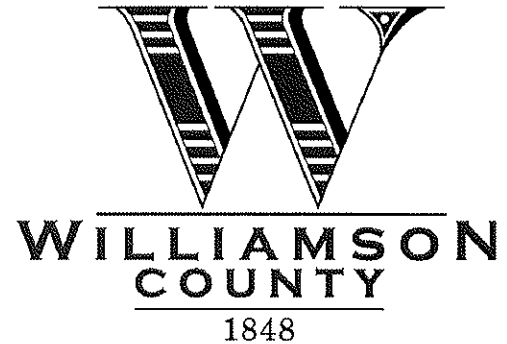
TO: TEXAS DEPARTMENT OF MOTOR VEHICLES

I AM A CUSTOMER OF AUTO TITLE SERVICES OF OAK
HILL AND I AM GLAD THIS REGISTRATION AND
TITLE SERVICE IS AVAILABLE TO ME. I BELIEVE
THEIR FEES ARE FAIR AND THE STATE SHOULD NOT
FORCE THEM TO CUT THEIR FEES AND PUT THEM
OUT OF BUSINESS

DATE 4-29-16
CUSTOMER CHRIS TURNER

NOTE: Department received 256
individual signed preprinted postcards.

May 23, 2016



Texas Department of Motor Vehicles
David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, TX 78731

Deborah M Hunt, C T A
Tax Assessor Collector

Re: Proposed Amendments to Chapter 217 of the Texas Transportation Code

Chairwoman Ryan and Board Members,

The following are areas of concern on the proposed rules:

Even Trade 217.40

The need to have both parties present in order to complete an even trade seems burdensome for our customers. This does not address scenarios that include out of state; out of county and dealers. Instead, a process that is similar to the gift affidavit that requires signatures from both parties would be preferred. While current even trade procedures may invite fraudulent transactions, this concern may be better addressed by the Comptroller's Office since it is a motor vehicle sales tax issue.

Deputies Subchapter H

It would be preferable to see a range of fees allowed for full service deputies instead of the proposed \$15. The fee should be a range that is reflective of the current market and agreed upon, contractually, by the full service deputy and the tax assessor/collector.

217.168(b) (2)

While this section is permissive, the proposed increase in fees to \$15, along with the other new fees proposed for registration, seem excessive for a dealer processing and handling fee.

Main Office and Mailing Address:

Annex Locations:

WILLIAMSON COUNTY

904 South Main Street
Georgetown, Texas 78626
Phone: (512) 943-1602
Fax: (512) 943-1618
www.williamson-county.org

1801 E. Old Settler's Blvd Ste 115
Round Rock, Texas 78664
Phone: (512) 8644

350 Discovery Blvd., Ste. #101
Cedar Park TX 78613
244-Phone: (512) 260-4290
Fax: (512) 260-4295

412 Vance St., Ste. #1
Taylor, Texas 76574
Phone: (512) 352-4140
Fax: (512) 352-4143

Fees Subchapter I

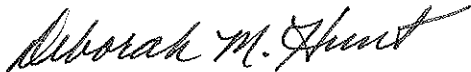
With the exception of mailing online renewals, the duties of the tax assessor/collector have not changed in the proposed rules. This gives the impression that our responsibilities and liability in the online approval process remain the same. Therefore, the \$.25 compensation does not appear adequate.

Recognition Program Subchapter J 217.203 (c)

Since this program was intended to build on each level of recognition, Subsection (c) should refer to the criteria listed in Subsection (b), "In addition to the recognition criteria listed in subsection (b) of this section, the department may include recognition criteria, such as the following but, not limited to, factors that indicate whether the office:".

In light of the mandate for TXDMV to be self-sustained through its fees, I am overall supportive of the proposed rules and changes to the fee structure. I am aware of the suggestions made by my colleagues and hope that their concerns as well as mine can be resolved to everyone's best interests. The TXDMV customers and ours are one in the same. In the end, we are committed to providing the best possible outcome for all the citizens of the State of Texas.

Respectfully,



Deborah M. Hunt, CTA, CTOP, PCC
Tax Assessor/Collector

WILLIAMSON COUNTY

Main Office and Mailing Address:

904 South Main Street
Georgetown, Texas 78626
Phone: (512) 943-1601
Fax: (512) 943-1618
www.williamson-county.org

Annex Locations:

211 Commerce Blvd., Ste. #101
Round Rock, Texas 78664
Phone: (512) 248-3278
Fax: (512) 248-3253

350 Discovery Blvd., Ste. #101
Cedar Park, Texas 78613
Phone: (512) 260-4290
Fax: (512) 260-4295

412 Vance St., Ste. #1
Taylor, Texas 76574
Phone: (512) 352-4140
Fax: (512) 352-4143



RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COST, AND REDUCE LOCAL CONTROL

WHEREAS, the Jackson County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

WHEREAS, the Jackson County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

NOW, THEREFORE BE IT RESOLVED that the Jackson County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

PASSED AND APPROVED this 23rd day of May, 2016.

A handwritten signature in black ink, appearing to read "Dennis Simons", written over a horizontal line.

Dennis Simons
County Judge

A handwritten signature in black ink, appearing to read "Wayne Hunt", written over a horizontal line.

Wayne Hunt
Commissioner, Precinct 1

A handwritten signature in black ink, appearing to read "Johnny E. Belicek", written over a horizontal line.

Johnny E. Belicek
Commissioner, Precinct 3

A handwritten signature in black ink, appearing to read "Wayne Bubela", written over a horizontal line.

Wayne Bubela
Commissioner, Precinct 2

A handwritten signature in black ink, appearing to read "Dennis Karl", written over a horizontal line.

Dennis Karl
Commissioner, Precinct 4

FILED May 23, 2016
BARBARA EARL, Clerk of County Court
JACKSON COUNTY, TEXAS
BY A handwritten signature in black ink, appearing to read "Barbara Earl", written over a horizontal line.



RONNIE KEISTER
LUBBOCK COUNTY TAX ASSESSOR
PO BOX 10536
LUBBOCK, TX 79408

916 MAIN ST SUITE 102
(806) 775.1344

May 17, 2016

Mr. David D. Duncan
General Counsel, TxDMV
4000 Jackson Ave., Bldg. 1
Austin, Tx 78731

Dear Mr. Duncan,

The following comments are made concerning the proposed DVM rule changes to Section 217, Subchapter H – Deputies:

1. Rule 217.162 (j) indicates that a full service deputy must enter into an agreement with the county tax assessor and with the Texas Department of Motor Vehicles (TxDMV). The TxDMV should not have any say into this agreement. It should be between the county and the dealer. Just another big brother action.
2. Rule 217.168 (b) (2) sets forth the fee that may be charged by a dealer deputy. There should be no charge for the dealer to perform these duties. They have the authority to charge a documentary fee for the handling and processing of documents for the sale of the motor vehicle. They should not be paid to perform a job function that is required and one for which they are already being reimbursed. This is definitely a form of double dipping and one in which the general public would not approve.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Ronnie Keister", is written over a horizontal line.

Ronnie Keister,
Lubbock County Tax Assessor-Collector



Resolution No. R2016-007

May 23, 2016

RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS, AND REDUCE LOCAL CONTROL

WHEREAS, the Lamar County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

WHEREAS, the Lamar County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

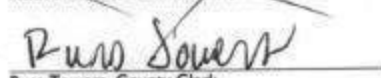
NOW, THEREFORE BE IT RESOLVED that the Lamar County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

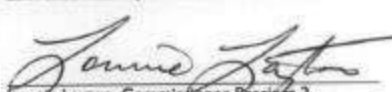
PASSED AND APPROVED this 23rd day of May, 2016.


M.C. Superville, Jr., County Judge


Keith Mitchell, Commissioner, Precinct 4


Lawrence Malone, Commissioner, Precinct 1


Russ Towers, County Clerk
ATTEST


Lonnie Layton, Commissioner Precinct 2


Rodney Pollard, Commissioner, Precinct 3





Resolution opposing the Texas Department of Motor Vehicles proposed rule change to limit the fees on motor vehicle registration and title services

WHEREAS, the Board of the Department of Motor Vehicles is proposing rule changes to Chapter 217, Texas Administrative Code, regarding vehicle title and registration fees; and

WHEREAS, legislative discussions on the legislation authorizing the change from a statutory fee schedule to a fee schedule set by the agency included assurances that the change would not result in a revenue loss to counties; and

WHEREAS, in the case of Lubbock County, the proposed fee schedule appears to violate that understanding; and

WHEREAS, the study acknowledges concerns raised in high growth counties that the compensation fees already do not match the increases in transaction volume over time; and

WHEREAS, the TTI study also indicates that the proposal will cost counties more than the revenue provided, requiring counties to subsidize the vehicle registration and title process; and

WHEREAS, despite assurances that the proposed rules would offset the revenue loss to counties, the department's own data indicates that the proposed changes will cost Lubbock County approximately \$900,000 over a five year period; and

WHEREAS, an arbitrary cap on the amount that title service providers may charge also threatens that successful public-private partnership, which will increase county costs to perform this function if the title service providers cease to operate;

NOW, THEREFORE, BE IT RESOLVED THAT the Lubbock County Commissioners Court opposes final adoption of the proposed rules changes to Chapter 217 unless fees to be retained by counties are adequate to cover the costs and prevent an unfunded mandate; and be it further resolved that fees retained by title service providers not be arbitrarily capped preventing those service providers from saving counties money.

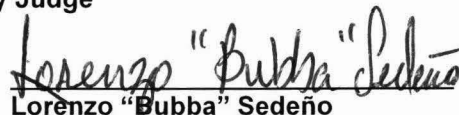
Signed this 23rd day of May 2016.




Tom Head
Lubbock County Judge



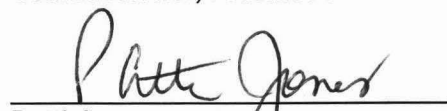
Bill McCay
Commissioner, Precinct 1



Lorenzo "Bubba" Sedeño
Commissioner, Precinct 3



Mark Heinrich
Commissioner, Precinct 2



Patti Jones
Commissioner, Precinct 4



MIKE BRADDOCK
COUNTY JUDGE, LYNN COUNTY

RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COST, AND REDUCE LOCAL CONTROL

WHEREAS, the Lynn County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

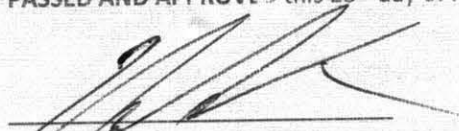
Whereas, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

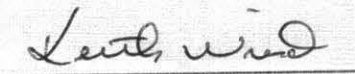
Whereas, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

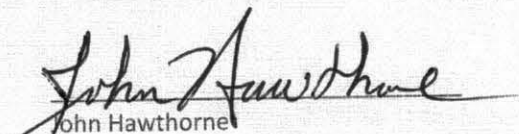
Whereas, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.


NOW, THEREFORE BE IT RESOLVED that Lynn County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.


PASSED AND APPROVED this 23rd day of May, 2016.

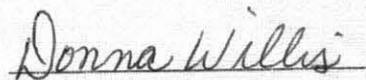

Mike Braddock
County Judge

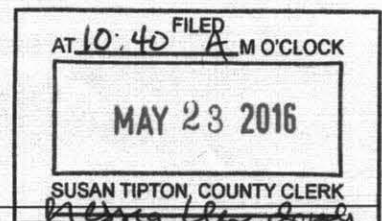

Keith Weid
Commissioner, Precinct 1


John Hawthorne
Commissioner, Precinct 2


Don Blair
Commissioner, Precinct 3


Larry Durham
Commissioner, Precinct 4


Donna Willis
Tax Assessor/Collector





Tammy J. McRae

Tax Assessor-Collector
Montgomery County

May 19, 2016

Texas Department of Motor Vehicles
David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, Texas 78731

RE: Chapter 217, Proposed Amendments, Repeal, and New Subchapter I relating to Fees

Chairwoman Ryan and DMV Board Members;

The purpose of this letter is to provide input regarding Proposed Rules in Chapter 217 proposed by the Texas Department of Motor Vehicles at the board meeting held on April 7, 2016.

Section 217.40, New Section 6(3): This amendment requires all parties involved with an Even Trade to be present at the time of the transaction. This rule should be addressed by the Texas State Comptroller as it pertains to sales tax. An alternative is to require the same procedure as a Gift Affidavit.

Section 217, Subchapter H- Deputies: This proposed change allows TxDMV authority to approve and terminate agreements between the Tax Assessor-Collector and the Full Service Deputy. TxDMV should be required to immediately notify the Tax Assessor-Collector for a resolution as the Tax Assessor-Collector has personal liability.

Section 217.165- Inspection Deputies: This proposed change isn't necessary and should be removed.

Section 217, Subchapter I- Fees: The purpose of this proposal is to encourage online registration, reduce the walk-in or mail-in service and to reduce the fees received by the counties for online registration renewal. Montgomery County is pro-active in their efforts to promote online registration however, 60% of our customers prefer to process in person. Furthermore, the counties should continue to receive the same fees that are currently received. There should not be a different fee structure for online registration renewals. The effect of this change would be detrimental to the counties. I also feel that our customers would suffer from centralized processing for online registration renewals. Dividing the duties between the Tax Assessor-Collector and a third-party vendor will confuse citizens and lead to additional work at the County level.

Section 217.204, Subchapter J- Performance Review/Recognition Program: I served as a member of the working group to develop this program. The committee and TxDMV agreed to all criteria however, the proposed rules did not reflect one item that was agreed upon. Section 217.204(d) should be deleted and

Section 217.201(c)(2) amended to read: The Tax Assessor-Collector that has had a recognition status revoked due to accusation or other circumstances and is exonerated should not have to be re-elected to be eligible for reinstatement of their previously awarded recognition. It should follow the same procedure as the demotion to a lower level.

We believe that the current proposed changes by TxDMV will negatively impact the citizens of Montgomery County. It is my desire to continue to work with TxDMV to provide motor vehicle services to our citizens in the most effective and efficient manner possible while recognizing the statutory authority constitutionally assigned to the local Tax Assessor-Collectors. I am committed to work with TxDMV and State Legislature to arrive at a solution that is in the best interest of counties, the State, and the citizens.

Sincerely,

Tammy McRae, PCC
Tax Assessor-Collector
Montgomery County

From: [Kim Morton](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Proposed Amendments
Date: Monday, May 23, 2016 3:51:47 PM

Chairwoman Ryan and Board Members,

The proposed changes from Texas Department of Motor Vehicles(TxDMV) gives growing concerns

on all aspects of Vehicle Registration and Title process. The Nacogdoches Tax Assessor Collector is opposing these rule changes.

Section 217, Subchapter H Deputies. The Tax Assessor Collector with their County Commissioners court have authority to approve Full Service or Limited Service deputies, and Tax Assessor is responsible for accounting for all fees and inventory. The TxDMV should not have any authority in approval or termination of these duties or collections of fees.

Section 217.165 – Inspection Deputies. This new section is unclear and unnecessary.

Section 217, Subchapter I- Fees. The counties should not receive any less commission than currently

Received for walk in, on line, mail in or deputy processed registrations. TxDMV should have to formulate a P&H fee that does not lower the current revenue received by counties.

Section 520.005 of the Transportation Code clearly states TxDMV does not have statutory authority to relieve County Tax Assessor Collectors from any of the duties required to process registration renewal through the internet. Subsection 217.29 should be deleted.

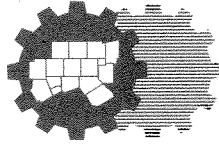
We feel the proposed rules will have a negative impact on our County and Citizens.

Sincerley,

Kim Morton

Tax Assessor-Collector

Nacogdoches County



North Central Texas Council Of Governments

May 23, 2016

Mr. David D. Duncan
General Council
Texas Department of Motor Vehicles
4000 Jackson Avenue, Building 1
Austin, TX 78731

Subject: Public Comment on Proposed Revisions to 43 Texas Administrative Code
§217.165 and §217.167

Dear Mr. Duncan:

On behalf of the North Central Texas Council of Governments (NCTCOG) and the Regional Transportation Council, the Metropolitan Planning Organization for the Dallas-Fort Worth (DFW) area, please accept the following comments on the Texas Department of Motor Vehicles (DMV) proposed revisions to 43 Texas Administrative Code §§217.161-217.168. NCTCOG is responsible for implementing a large number of control strategies that support the DFW Eight-Hour Ozone Attainment Demonstration State Implementation Plan, which includes activities aimed at supporting the State's Inspection and Maintenance Program. NCTCOG also coordinates the Mobile Emissions Enforcement Working Group (MEEWG), which includes law enforcement representatives from emissions enforcement task forces throughout Texas.

The new single sticker system negated counterfeit inspection certificate crimes; however, the MEEWG participants report that fraud has increased in other areas surrounding vehicle inspection and registration, under the current system. Because of this, there is concern about the potential for increased fraudulent activity with the Deputy structure without adequate oversight. As explained in the proposed amendments, it is encouraged the DMV closely monitor services being provided through the hierarchy of Deputies to prevent fraud that would impact transportation funding and air quality. NCTCOG suggests that registration renewals issued by Deputies be audited in a timely manner to ensure the emissions inspection was properly performed prior to registration issuance. DMV should perform the audits in consultation with the Texas Commission on Environmental Quality and the Texas Department of Public Safety.

Thank you for this opportunity to comment. We are committed to ensuring a safe, reliable transportation system and improving air quality in North Texas. We look forward to a continued partnership with the DMV. If you have any questions, please feel free to contact me at 817-695-9286 or cklaus@nctcog.org.

Sincerely,

Chris Klaus
Senior Program Manager

SD:mg

cc: Whitney Brewster, Executive Director, DMV
Michael Morris, P.E., Director of Transportation, NCTCOG

Dawnna Dukes
HOUSE OF REPRESENTATIVES

P.O. Box 2910
Austin, Texas 78768-2910
(512) 463-0506



District 46
Travis County

May 23, 2016

The Honorable Laura Ryan, Chair, and Board Members
Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, TX 78731

Re: Proposed DMV Rules as published in the April 22, 2016 *Texas Register*

Dear Chair Ryan and Texas Department of Motor Vehicle Board Members:

This letter stands as a formal record of my opposition to the proposed rule changes regarding allowable fees for services provided by auto title companies, and for restructuring reimbursement rates to county tax offices for processing title transfer and vehicle registration. These rule changes, as proposed, will shift administrative duties to counties without providing the necessary resources needed to fulfill their basic obligations to our county tax payers. If these proposed rule changes take effect, our constituents will be facing greater wait times, less flexibility, and a greater financial burden. I am opposed to any proposed rule changes that do not affirmatively address the resource capacity necessary for our county offices to appropriately perform their duties.

According to the fiscal analysis run by the Travis County Tax Office, the impact of proposed reimbursement rate changes will cost Travis County vehicle owners an additional \$2,215,165 annually. Further, the proposed changes to auto title services will require the Travis County Tax Office to sever partnerships that presently save tax payers an estimated \$1 million a year. I concur with this assessment and urge you to withdraw these proposed changes until these concerns have been addressed and funds have been identified and designated in order to meet the true cost of serving our constituents.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Dawnna Dukes".

Dawnna Dukes
State Representative, District 46

*Committees: Appropriations; Appropriations Sub-committee on Health and Human Services-Vice Chair
Appropriations Sub-committee on Stimulus; Culture, Recreation and Tourism*

Kristeen Roe, CTA, PCC
Brazos County Tax Assessor/Collector
4151 County Park Ct.
Bryan, TX 77802
979-775-9930
979-775-9938 - Fax



May 20, 2016

Texas Department of Motor Vehicles
David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, TX 78731

Comments to Proposed Amendments published in the Texas Register April 22, 2016, Volume 41, Number 17.

Chairwoman Ryan and Board Members:

After reading the various comments posted in overall opposition to the proposed rule changes I hesitate to reiterate the information again. I will specifically point out the issues that I am most concerned with and feel will be a detriment to the partnership between TxDMV and all 254 Texas Counties, and to the citizens of the State of Texas.

The proposal to remove registration renewals initiated through the online portal is contrary to Sec. 520.005 of the Transportation Code that requires the County Tax Assessor/Collector to "process a registration renewal" and opens more than one issue. For the elected official, liability for the process and collection of correct fees is not removed. The liability for the fees collected or uncollected is upheld not only in statute but in Attorney General Opinion and in case law. Both TxDMV and TxDOT have relied and acted on that liability to insure correct fee collection and full funding over the years. To place the local elected official in a position of liability for actions completely outside of their control is contrary and unreasonable at the least if not completely outside of the agencies' authority.

As for the functional issues connected to centralization of internet transactions, that provides another challenge for the County Tax Assessor/Collector. It is the responsibility of that elected official to administer and "make work" all of the changes and processes involved in the registration and title processes. The greatest benefit of the partnership between TxDMV and the County Tax Assessor/Collector is the personalization of services provided to each county. The public expects their services to be local, and their solutions to be local. Any issues with a statewide centralized service will be taken to the local offices to solve, but they will not have the required information to do so. It will result in confusion, and additional time and steps to resolve problems, thereby providing poor service to the people the State and the County Tax Assessor/Collector are charged with serving.

The proposed authority given to TxDMV to approve agreements and to terminate agreements between the local Tax Assessor and Full Service Deputies is of serious concern. In most counties, while the County Tax Assessor/Collector is listed as the agent with the ability to contract, the contracts are then also reviewed and approved by the Commissioners Court. So this proposal gives the agency authority to override and rescind contracts between not just the elected Tax Assessor/Collector, but governing bodies and local providers. Section 217, Subchapter H – Deputies, seems a strong overreach and unnecessary. The local official and governing bodies should be given any pertinent information about

the local deputy providers and allowed take necessary actions based on their legal and contractual duties.

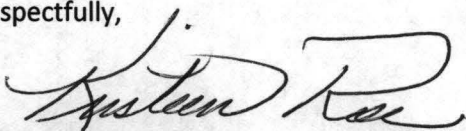
The proposal to stop replacement of license plates after the plate reaches a certain age is a law enforcement issue. While I do not propose to know the reflector capacity of the current license plates, the requirement to replace has been based on the fact that it does degrade and reduces the ability to read the plates. This proposal should be vetted by law enforcement before further consideration.

The largest discussion is on fees, and I understand that a claim that the proposed plan reduces the fees to the counties is not considered an argument. TxDMV has reviewed the fee structure and attempted to quantify what each county really needs to reimburse them for the services. As an individual who has served in two separate counties, I feel that my experience gives me a somewhat broader view of the process, impact and issues. Reimbursement is based on fees and registration revenue is calculated by "miles of county road" per county. Based on the size of the county and the population, the reimbursement amounts vary greatly. As for the portion that is "fee based only", the reimbursement is rarely if ever enough to cover the cost of providing the services to those local constituents. The proposed offset of reduced mail fees is overstated in most cases due to contractual services with reduced prices obtained by local governments and skews the projected savings offered in TxDMV's proposals.

Overall, the State of Texas benefits greatly from the services provided by the County Tax Assessor/Collector. The registration portion of the revenue "shared" with counties is dedicated and directed to the building and maintenance of the county road system, which connects to the state highway system. The quality of the local road system impacts the state's system and is tremendously beneficial to economic development for the state as well as the communities. A reduction in reimbursement for services in the County Tax Offices across the state can easily have a negative impact on the counties' abilities to provide services in more than just the services provided by the County Tax Assessor/Collector.

I strongly urge the TxDMV Board to reconsider these issues and work to compile a more equitable plan for funding of the agency and its' statutory partner.

Respectfully,

A handwritten signature in black ink, appearing to read "Kristeen Roe", with a stylized flourish at the end.

Kristeen Roe, CTA, PCC
Tax Assessor/Collector
Brazos County, Texas



RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS, AND REDUCE LOCAL CONTROL

WHEREAS, the San Patricio County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

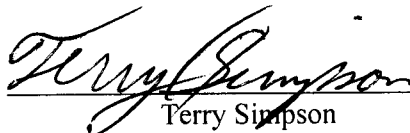
WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

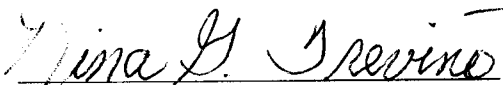
WHEREAS, the San Patricio County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

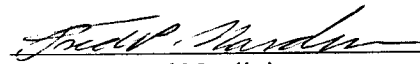
WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

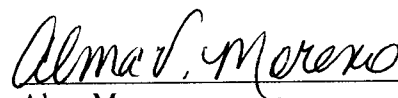
NOW, THEREFORE BE IT RESOLVED that the San Patricio County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

PASSED AND APPROVED this 23rd day of May, 2016.


Terry Simpson
County Judge


Nina Trevino
Commissioner, Precinct 1


Fred Nardini
Commissioner, Precinct 2


Alma Moreno
Commissioner, Precinct 3

Commissioner, Precinct 4



DALIA SANCHEZ, PCC

Tax Assessor/Collector

P. O. Box 280

Telephone 361/364-9373

Fax: 361/364-9473

May 19, 2016

Sinton, Texas

78387-0280

RECEIVED

MAY 23 2016

DMV
OFFICE OF GENERAL COUNSEL

Texas Department of Motor Vehicles
% David D. Duncan, General Counsel
4000 Jackson Avenue, Building One
Austin, Tx 78731

RE: Proposed DMV rule changes Section 217 Sub Chapter H - Deputies

Chairwoman Ryan and DMV Board Members:

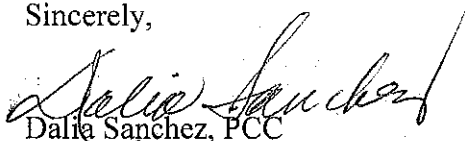
Please consider that under the Constitution of the State of Texas, the County Tax Assessor-Collector is personally liable for every dollar that is required to flow through their office, whether those funds are collected directly by the Tax Assessor-Collector or their appointed deputy. That liability may only be released by a District Judge on an individual, case by case basis. The process of collection and remittance of motor vehicle title and registration fees is an important part of the county tax office statutory function. We, County Tax Assessor-Collectors take this responsibility and their constitutional liability very seriously.

This rule change gives DMV the authority to approve and terminate Full Service Deputy agreements between the Tax Assessor-Collector and the Full Service Deputy. Due to the fact that TxDMV has no personal liability, there should be no authority for DMV to approve or terminate Full Service Deputies.

Section 217.165, Inspection Deputies, should be deleted as it is redundant and unnecessary.

Thank you for your time and hope that we will continue working together for the benefit of all the citizens of this great State of Texas.

Sincerely,


Dalia Sanchez, PCC
Tax Assessor-Collector

DEBORAH A. SEVCIK
TAX ASSESSOR-COLLECTOR
LAVACA COUNTY
PO BOX 293
HALLETTSVILLE TX 77964
Phone: 361-798-3601 Fax 361-798-5229
lavacatax@lavacacounty.net

March 23, 2016

Texas Department of Motor Vehicles
David D. Duncan, General Counsel
4000 Jackson Avenue
Austin, TX 78731

RE: Comments to Chapter 217 **proposed amendments** by the Texas Department of Motor Vehicles

Chairwoman Ryan and DMV Board Members:

I will be brief but to the point in my efforts to give my comments to the following rules as proposed:

- Section 217.40, New Section 6(e) which relates to Even Trade of a motor vehicle would create some huge issues the way it is proposed. I disagree with the fact that one of the parties involved would have to obtain written documentation from a treating physician if he/she could not physically come to a tax office. Both parties should have to be present in order to complete the transfer or another solution would be to produce an Even Trade affidavit, similar to the Gift Affidavit. Input from the Comptroller of Public Accounts would be suggested, as this IS a sales tax issue.
- Subchapter H, Section 217.165, Inspection Deputies & 217-166 Dealer Deputies needs to be deleted as these both seem like unnecessary proposals. They either fall under the Full Service Deputy OR the Limited Service Deputy. There is no need to be redundant in having so many types of deputies.
- Subchapter I, Section 217, Fees proposes to reduce the MAIL IN and ON LINE fees. THERE SHOULD BE NO REDUCTION IN THE CURRENT REGISTRATION/REGISTRATION RENEWAL FEES FOR COUNTIES whatsoever, whether it is performed through walk in, mail, on line or through their appointed deputies. TXDMV should not fund their agency at the counties expense.

- Section 217.29, Vehicle Registration Renewal via Internet proposes to hire a third-party vendor to process Internet renewals. Not only is this statutorily wrong, I don't feel it is in the best interest of our customers as we take great strides in getting their stickers mailed out to them in a timely manner. A third-party vendor would not do the counties justice.

It is in my opinion that we must do what is in the best interest of our counties and its citizens. We, as County Tax Assessor-Collectors, are personally liable for every dollar that is required to flow through our office and we have a constitutional liability that we take very seriously. Together, let us come up with a solution that works for all of us. After all, we are in this together as partners.

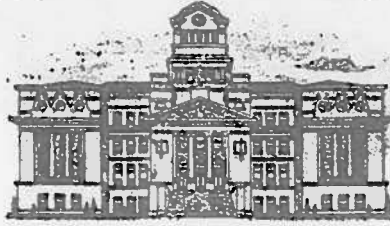
God bless each and every one of you and God Bless TEXAS!!

Sincerely,

A handwritten signature in cursive script that reads "Deborah A. Sevcik".

Deborah A. Sevcik
Tax Assessor-Collector
Lavaca County, Texas

NAVARRO COUNTY



GAIL SMITH, PCC
ASSESSOR AND COLLECTOR OF TAXES

PHONE (903) 654-3080
FAX (903) 875-3327

NAVARRO COUNTY TAX ASSESSOR AND COLLECTOR
P. O. BOX 1070
CORSICANA, TEXAS 75151-1070
E-mail: gsmith@navarrocounty.org

May 23, 2016

Texas Department of Motor Vehicles
%David D Duncan, General Counsel
4000 Jackson Avenue
Austin, Tx 78731

Opposition and comments to Proposed Amendments published in the Texas Register April 22, 2016
Volume 41 Number 17

RE: Proposed TAC, Chapter 217 Amendment to Subsection 217.2-217.5, 217.7, 217.26, 217.33, 217.40, 217.43, 217.45, 217.46, 217.54, 217.55, 217.88, and 217.123

Proposed TAC, Chapter 217, Subchapter H, Deputies, Sub Section 217.61, Amendment and new Subsection 217.162-217.168

Proposed TAC Ch 217, New Subchapter I, Fees, Subsection 217.181-217.185; Proposed TAC, Chapter 217, new Subchapter J, Performance Quality Recognition Program, Subsection 217.201,-217.207; Amendments to Subsection 217.23, 217.24, 217.29, 217.32, 217.52, 217.53, and 217.72; and Repeal of Subsection 217.31

Chairwoman Ryan and Board Members,

Please let me preface my remarks by asking the TxDMV Board to consider, under the Constitution of the State of Texas, the County Tax Assessor-Collector is personally liable for every dollar and cent that is required to flow through their office, whether those funds were collected directly or by their appointed deputy. That is a liability and a responsibility we County Tax Assessor-Collectors take very seriously.

→Section 217, Subchapter H – Deputies. The Tax Assessor-Collector is responsible for accounting for all fees and inventory. The TxDMV should not have any authority to approve or terminate these duties or collection of fees as the Tax Assessor-Collector is required by law to account for all these fees.

→Section 217.29. This speaks of removing the internet renewal process from the County Tax Office and gives that responsibility to TxDMV who plans to contract it out to a third party. See Transportation Code 520.005. There is no statutory authority to make said change. We, as the County Tax Assessor-Collectors will be left to deal on a daily basis with the citizen issues that arise such as replacement stickers not delivered by post office, those not renewed for various reasons, etc. while incurring the costs associated.

→Section 217, Subchapter I – Fees. There should be no reduction in the current fees received by counties for registration/registration renewal, whether performed through online, walk in, mail in or

through Deputies. TxDMV has recently put a big burden on individual County Tax Offices by stopping to provide our daily reports automatically to us. We now have to go through 2 systems and many steps just to get our reports to begin our day's balancing. The systems are not dependable and we have suffered much loss of time and efficiency and are not being compensated by the cost savings to TxDMV.

→Additionally, to summarize my opposition to the remaining proposals, I am opposed to the rule changes pertaining to Even Trade as it is a Comptroller issue. I refer you to the agreement made at the Performance Quality Recognition Program meetings in Austin just prior to publication of these rules. Proposed changes should follow the agreement made there.

I believe these proposals will put a big loss of income on the Counties who the citizens look to for these services. Do not lower the current revenue received by counties. Also, please do not intervene in the Tax Assessor-Collector performing the duties they are mandated to provide.

Sincerely,



Gail Smith, PCC

Navarro County Tax Assessor-Collector
601 N. 13th St.
Corsicana, Texas 75110

Ph 903 654 3080

Fax 903 8753327

gsmith@navarrocounty.org



STEVE SMITH
SUTTON COUNTY JUDGE

300 E. OAK, STE. 4
SONORA, TX 76950

COURT ASSISTANT
JESSICA ROSE

May 23, 2016

Donald D. Duncan
General Counsel
TX Dept. of Motor Vehicles
400 Jackson Ave., Bldg. 1
Austin, Texas 78731
rules@txdmv.gov

Mr. Duncan,

The Sutton County Commissioners Court passed the attached resolution...definitely not in favor of your proposed rules. Though the amount may be small to you, it does affect us, the smaller counties. If you need more money, go back to the legislature to do it. This is just another example of an unfunded mandate, this time from a state agency.

Sincerely,

A handwritten signature in cursive script that reads "Steve Smith".

Steve Smith

RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS, AND REDUCE LOCAL CONTROL

WHEREAS, the Sutton County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

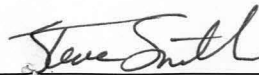
WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

WHEREAS, the Sutton County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

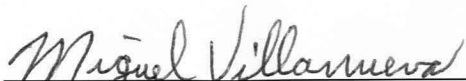
WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

NOW, THEREFORE BE IT RESOLVED that the Sutton County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

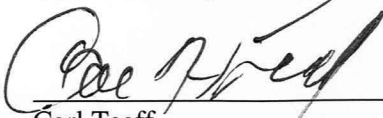
PASSED AND APPROVED this 23rd day of May, 2016.



Steve Smith
County Judge



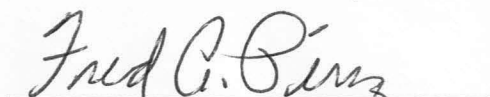
Miguel Villanueva
Commissioner, Precinct 1



Carl Teaff
Commissioner, Precinct 3



John Wade
Commissioner, Precinct 2



Fred Perez
Commissioner, Precinct 4

From: [Kathy Sweidel-Caton](#)
To: [Zz - Resource - GCO Rules](#)
Cc: [Mike Lewis](#); [Gloria Bray](#); [Joe Williams](#)
Subject: Vehicle Registration Fees - request for increase
Date: Monday, May 23, 2016 1:47:12 PM

To Whom It May Concern,

We understand that the Texas Department of Motor Vehicles is implementing rules to increase the fees collected on behalf of the state and county for vehicle registrations. However, the agency is not increasing the administrative fee that the retailer retains which is currently set at \$1 and has been for many years.

Food Town currently has thirty-two stores, has been in business for over twenty-two years and most locations offer auto tag renewal services to our customers at our service desk. Some years ago when Texas changed from books of auto tag "stickers" to the printable documents, we were provided with a laptop and printer at no cost to the retailer, as well as a "corporate contact" who visited our stores regularly to monitor inventory and deliver "auto registration forms" as needed. We mailed company checks to the tax assessor accompanied with our reporting to list each renewal which must be reconciled.

Over the last three years, the "free" laptop and printer have been removed and we no longer have a contact who monitors inventory. Rather than mailing a check with our reporting, we are required to provide an ACH to the bank account of the Tax assessor.

In order to offer this service to our customer, each Food Town location must provide:

- Our own PC with internet connection
- A PC maintenance agreement
- Our own "DMV approved" printer
- A printer maintenance agreement
- Customer convenient hours as well as labor to cover those 7 days a week
- A bond per location (\$25,000 bond per store in Harris and Montgomery counties, \$15,000 in Fort Bend county/annual company cost for bonds is \$3,000 for Harris county, \$180 for Montgomery and \$180 for Fort Bend)
- Insurance to cover each "deputized employee" at \$15 per person (annual cost over \$2,600)
- 66 ACH's per week from our bank account into the tax assessor's account
- Office personnel to train store employees
- Office personnel to coordinate and reconcile bank and store reporting

The DMV has reduced their expenses but many of those have been passed on to the retailer. Offering auto tag renewal service is a benefit to our mutual consumer as generally our service lines are shorter than those at the local court house. Having retailers offer this public service not only reduces the cost to the DMV since providing PC's & printers is no longer necessary, but helps reduce their labor cost and consumer wait time as individuals visit our stores rather than the court house. For these reasons, we would appreciate approval to increase our customer fee from \$1 to \$2 in order to cover some of our increased expenses.

Regards,

Kathy Sweidel-Caton

Vice President of Communications

Food Town

3131 Pawnee / Houston, Texas 77054-3302

Phone: 832-476-4649 / Fax: 832-476-4650

Website: www.foodtownshopper.com

Please consider the environment before printing this e-mail.

This email message is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message. It is the responsibility of the recipient to ensure that this e-mail is virus free. While we employ virus checking, no liability is accepted for any losses caused by viruses.

**Chairman**

Judge
Veronica Escobar
El Paso County

Chair Elect

Judge
Robert Hebert
Fort Bend County

Immediate Past Chair

Commissioner
Bobbie Mitchell
Denton County

Vice-Chairmen

Comm. Tim Brown
Bell County

Judge Ed Emmett
Harris County

Judge Loyd Neal
Nueces County

Judge Glen Whitley
Tarrant County

Judge Dan Gattis
Williamson County

Comm. Kevin Burns
Wise County

Executive Director

Donald Lee

Member Counties

Bell ~ Bexar
Brazoria ~ Brazos
Cameron ~ Chambers
Collin ~ Comal
Dallas ~ Denton
Ector ~ El Paso
Fort Bend ~ Galveston
Grayson ~ Gregg
Guadalupe ~ Harris
Hays ~ Hidalgo
Jefferson ~ Johnson
Kaufman ~ Lubbock
McLennan ~ Midland
Montgomery ~ Nueces
Potter ~ Randall
Rockwall ~ San Patricio
Smith ~ Tarrant
Travis ~ Webb
Williamson ~ Wise

500 West 13th Street
Austin, TX 78701

Phone: 512.476.6174
Fax: 512.476.5122

www.cuc.org

May 23, 2016

To: Mr. David Duncan, General Counsel, TxDMV

From: Donald Lee, Executive Director

Re: **Comments on proposed changes to Chapter 217, Vehicle Titles and Registration**

Transportation Code Section 502.1911(b)(2) requires the TxDMV to set vehicle registration fees at an amount that is sufficient to cover the cost of providing vehicle registration services by the county tax assessor-collector or by a deputy with whom a county tax assessor-collector contracts.

The current proposal for registration fees would sharply reduce the fees for online vehicle registration under the assumption that people will increasingly choose the online option. However, the substantial loss of revenue from online transactions will reduce overall funding available for the full range of in-person vehicle registration services that must still be performed in each county. Quite simply, in depriving counties of the revenue from online registrations, TxDMV is requiring counties to perform high-cost in-person transactions without the benefit of revenue from online registrations. Further, the county fee proposed for in-person transactions is below the actual average cost to counties for each in-person transaction as determined by TxDMV's researcher, TTI.

Based on the Department's own data, here are the projected annual losses for some of our member counties under the proposed rules:

Bell	\$	(46,526)
Bexar	\$	(900,000)
Brazoria	\$	(14,236)
Brazos	\$	(16,959)
Collin	\$	(417,903)
Comal	\$	(12,242)
Dallas	\$	(786,893)
Denton	\$	(313,322)
Ector	\$	(9,477)
El Paso	\$	(164,102)
Fort Bend	\$	(239,687)
Galveston	\$	(48,119)
Harris	\$	(1,686,509)
Hays	\$	(37,089)
Hidalgo	\$	(31,701)



Lubbock	\$	(19,344)
McLennan	\$	(16,761)
Midland	\$	(2,518)
Montgomery	\$	(147,140)
Nueces	\$	(103,892)
Rockwall	\$	(11,956)
San Patricio	\$	11,789
Smith	\$	(7,190)
Tarrant	\$	(579,646)
Travis	\$	(584,303)
Williamson	\$	(173,661)

These projected losses clearly demonstrate the proposed rules violate Section 502.1911(b)(2), Transportation Code.

We understand TxDMV takes the position that “efficiencies” in processes will keep counties whole. However, the tax assessor-collectors in our member counties believe TxDMV is greatly overstating any “efficiencies” found in the rules as proposed. Further, the DMV has produced no analysis or evidence to support their conclusion.

In addition to the direct loss of revenue, the proposed lower fees permitted to be charged by full-service deputies is expected to result in many (if not most, or all) of those private entities closing their operations. It is not realistic to assume a substantial number of the customers of those private entities will begin using the online registration option. The transfer of the workload to county tax assessor-collectors is expected to be substantial. For example, El Paso County anticipates it will incur additional personnel costs \$1.26 million dollars annually, and will need to construct an additional facility to house the additional staff at a cost of approximately \$1.4 million dollars. Travis County estimates that it will incur additional personnel costs of \$1.3 million to handle the increased workload.

Based on this, the Texas Conference of Urban Counties requests that the TxDMV withdraw the proposed rules so that a new proposal may be developed that will meet the statutory requirement that fees be sufficient to cover the costs of providing the services. The department has no evidence that the current proposal meets whose requirements – and its own analysis, the TTI study, and universal comment from the Tax A/Cs indicate conclusively that the proposal fails to meet the requirement.

The Texas Conference of Urban Counties appreciates your consideration of these concerns and offers any assistance it can provide in helping the TxDMV meet its obligation to set fees in compliance with Section 502.1911(b)(2).

Response By Bexar County Against the TxDMV Proposed Rules on Vehicle Titles and Registration Under Texas Administrative Code, Title 43, Chapter 217 (5-23-16)

BACKGROUND AND “INTENDED” PURPOSE:

House Bill 2741 and House Bill 2202 implemented Section 520.0071 of the Transportation Code, which was intended to allow the Texas Department of Motor Vehicle Board, by rule, to set fees to provide funding for TxDMV operations and “fair” compensation for Counties and to also prescribe classification types of local deputies performing titling and registration duties. Prior to the 83rd Legislature, motor vehicle title services were regulated under Transportation Code §§520.008, 520.009, 520.0091 and §520.0092, governing deputies performing titling and registration duties.

REASONS FOR OPPOSITION TO PROPOSED RULES:

The Bexar County Commissioner’s Court adopted a resolution opposing TxDMV’s proposed rules. The Office of Albert Uresti, Bexar County Tax Assessor-Collector, is also opposed to these rule changes as currently proposed by the Texas Department of Motor Vehicles (TxDMV) and is requesting that the fees and fee structure, along with the Limited and Full Service Title Company business models, remain as they currently are or be modified to mitigate any negative impact for the following reasons:

- Tax Assessor-Collectors Association of Texas (TACA) has determined that TxDMV does not have authority to remove the responsibility for online vehicle renewal functions from Tax Assessors.
- Proposed rules violate and remove Tax Assessors’ statutory duty to “process a registration renewal” (See *V.T.C.A. Transportation Code § 520.005*).
- Proposed rules violate and remove Tax Assessors’ responsibility to “promptly mail renewal registration validation stickers and license plates to applicants” (*43 Tex. Admin. Code § 217.29*).
- Statute requires County Assessor-Collectors to pay the entire expense of issuing receipts and therefore prohibits the delegation to a private vendor for online transactions (See *V.T.C.A. Transportation Code § 520.006*).
- TxDMV has deviated from the compensation study they paid for to determine compensation for Tax Assessor-Collector Offices, as well as Limited and Full Service Deputies.
- Would cause a rate increase of \$5 per registration to the Citizens of Bexar County and Texas.
- The proposed processing and handling fees are acting as a HIDDEN TAX to supplement the State Highway Fund of the Texas Department of Transportation (TxDOT) and to replace revenues for TxDMV previously received from the State’s general fund.
- Would cause an annual decrease in compensation of over \$7 million dollars for counties state-wide, including over \$900,000 annually for Bexar County.
- Providing the best customer service possible to our Citizens is extremely important to the Bexar County Tax Assessor’s Office, and it is believed that customer service will suffer when 221,000 online registration transactions are moved to a private vendor away from the Bexar County Tax Assessor’s Office, which will still require substantial involvement and processing duties by the Tax Office.
- The compensation received by Bexar County for online registrations is being reduced by over 91% from \$2.90 to \$.25, despite the requirement by statute that the Tax Assessor-Collector is responsible for the processing of online transactions.
- Removal of any portion of online transactions from the Tax Assessor-Collectors and placing them with a vendor, along with the proposed requirement for TxDMV to sign as a third party on contracts between County Tax Offices and Full Service Title Companies, violates statute and would take away local government control.
- For 2014 and 2015, TxDMV has no record of any complaints against any Full Service Title Company in Texas.

- The proposed rules setting Full Service Deputy convenience fees at \$5 for registrations and \$15 for title transfers will cause the Full Service Title Companies to close, as stated by the owners of these businesses, and will increase costs to Bexar County Taxpayers. (Market rate convenience fees with maximum caps are suggested for Full Service Deputies.)
- The closing of the Full Service Title Companies would require a minimum of three additional tax offices in Bexar County plus personnel staffing. (The startup costs for these three additional offices in Bexar County would be between three and six million dollars and the annual operational costs would be between two and three million dollars.)
- Would reduce options for Citizens of Bexar County on titling and registration transactions, by eliminating the availability of 21 additional locations for Citizens to choose from, while impacting established small businesses and causing the layoff of their employees.
- Bonding requirements for Limited and Full Service Deputies should be set by the Tax Assessor-Collector according to value and length of time that inventory is held.

ADVERSE IMPACT OF PROPOSED RULES TO CITIZENS, COUNTIES, & BUSINESSES:

The Bexar County Commissioner's Court and the Office of the Bexar County Tax Assessor-Collector oppose many of TxDMV's proposed rule changes, including the \$5 rate increase to replace funding for TxDMV from the State's general fund, and also reject TxDMV's assessment that there would be no significant fiscal impact for state and local governments or small businesses. We also oppose the erosion of local control at the County level by TxDMV's proposed rules. The immediate and long-term impacts show the proposed TxDMV rules would decrease compensation for County Tax Offices, while increasing workload and budget costs to County Tax Assessor-Collector Offices. The owners of the 21 Full Service Title Companies in Bexar County have stated they would be forced to close their businesses and lay off employees, thereby requiring the Tax Assessor-Collector to open additional offices at a cost in the millions of dollars. Although opposed to the proposed rule changes by TxDMV; in the alternative, we have offered and asked for modifications to the proposed rule changes to mitigate negative impacts and believe a good compromise can still be reached for the Citizens of Texas, between the Texas Legislature, the Tax Assessor-Collectors, and TxDMV. We are also submitting a compensation worksheet by the Bexar County Tax Office mirroring TxDMV's worksheet, which allows the same exact compensation that TxDMV is requiring, while eliminating Bexar County's and most of the State's reduction in revenues created by TxDMV's proposed rules.

Office of Albert Uresti, MPA, PCC
Bexar County Tax Assessor-Collector

Albert Uresti, MPA, PCC
 Bexar County
 Registration Fees
 Analysis

Bexar County Alternate Plan if TxDMV Adopts Fee Increase										
Method of Registration Transactions	Compensation Retained by County		Proposed Fees by Bexar Cnty	TxDMV Automation Fee	Proposed Deputy Convenience Fees by TxDMV	Proposed Vendor Fee by TxDMV	Texas.Gov Internet Fee	Proposed Fee Compensation Retained by TxDMV	Bexar Cnty Proposed P&H Fee	TxDMV Proposed P&H Fee
	Current Fees	Proposed TxDMV Fees								
Walk-In	1.90	2.30	2.30	0.50				2.20	5.00	5.00
Online	2.90	0.25	1.25	0.50		***0.50	2.00	0.50	4.25	3.75
Mail-In	2.90	2.30	2.30	0.50				2.20	5.00	5.00
Limited (i.e., HEB)	1.90	1.30	2.30	0.50	****1.00			2.20	5.00	5.00
Full Service	1.90	1.30	2.30	0.50	*****5.00			2.20	5.00	5.00

*** 0.50 Vendor Fee for Xerox would not be needed since counties will retain transactions and is not included in total proposed P&H Fee calculation for online

**** A convenience fee would be charged seperately by limited deputies and is not included in total proposed P&H Fee calculation

***** A convenience fee would be charged seperately by full service deputies and is not included in total proposed P&H Fee calculation (Market Rate Convenience Fees with maximum caps are suggested for Full Service Deputies)

Albert Uresti, MPA, PCC

Bexar County

Registration Fees

Analysis

Method of Registration Transactions	Percentage of All Registrations by Transaction Type		TxDMV Vehicle Registration Fees		Proposed TxDMV Fee Increase or (Decrease)	TxDMV Fee Increase or (Decrease) Using Bexar County Plan
	Bexar	State Wide	Current Fees	Proposed Fees		
Walk-In	30%	65%	51.75	55.75	4.00	4.00
Online	15%	18%	54.75	54.50	(0.25)	0.25
Mail-In	9%	8%	52.75	55.75	3.00	3.00
Limited (i.e., HEB)	28%	5%	*52.75	*55.75	***3.00	***3.00
Full Service	18%	4%	**56.75	**59.75	***3.00	***3.00
	100%	100%				

* Includes \$1.00 Convenience Fee

** Includes \$5.00 Convenience Fee per TxDMV

*** Convenience Fee would be paid
seperately to Limited or Full Service
Deputy (Market Rate Convenience Fees with
maximum caps are suggested for Full Service
Deputies)

Albert Uresti, MPA, PCC
Bexar County
Registration Fees
Analysis

Method of Registration Transactions	Total County Compensation with Proposed Bexar P&H Fees		Total County Compensation with Proposed TxDMV P&H Fees						
			Bexar County			State of Texas - All 254 Counties			
			Auto	Current	Proposed	Auto	Current	Proposed	
	Bexar County	All Counties	Regs	Revenue	Revenue	Regs	Revenue	Revenue	
Walk-In	\$ 1,055,793	\$ 35,508,497	459,041	\$ 872,177	\$ 1,055,793	15,438,477	\$ 29,333,106	\$ 35,508,497	
Online	286,900	5,344,088	229,520	665,609	57,380.06	4,275,271	12,398,285	1,068,818	
Mail-In	316,738	4,370,277	137,712	399,365	316,737.95	1,900,120	5,510,349	4,370,277	
Limited (i.e., HEB)	985,407	2,731,423	428,438	814,032	556,969.14	1,187,575	2,256,393	1,543,848	
Full Service	633,476	2,185,138	275,424	523,306	358,051.59	950,060	1,805,114	1,235,078	
	\$ 3,278,314	\$ 50,139,423	1,530,135	\$ 3,274,489	\$ 2,344,932	23,751,503	\$ 51,303,246	\$ 43,726,517	
	\$ 3,825	\$ (1,163,824)			\$ (929,557)			\$ (7,576,729)	
	(Loss)/Gain to County(s)		(Loss)/Gain to County			(Loss)/Gain to Counties			



RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS, AND REDUCE LOCAL CONTROL

WHEREAS, the Bexar County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

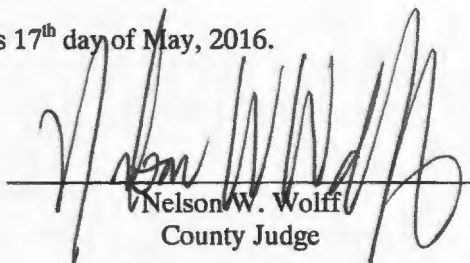
WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

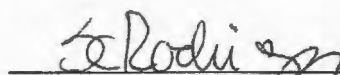
WHEREAS, the Bexar County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these service by citizens; and


WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

NOW, THEREFORE BE IT RESOLVED that the Bexar County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

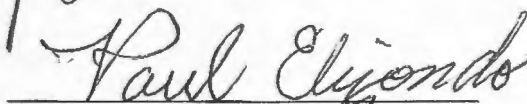
PASSED AND APPROVED this 17th day of May, 2016.

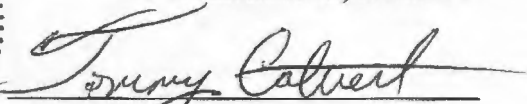

Nelson W. Wolff
County Judge


Sergio "Chico" Rodriguez
Commissioner, Precinct 1


Kevin A. Wolff
Commissioner, Precinct 3




Paul Elizondo
Commissioner, Precinct 2


Tommy Calvert
Commissioner, Precinct 4



**RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT
DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS AND REDUCE LOCAL CONTROL**

WHEREAS, the Midland County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and

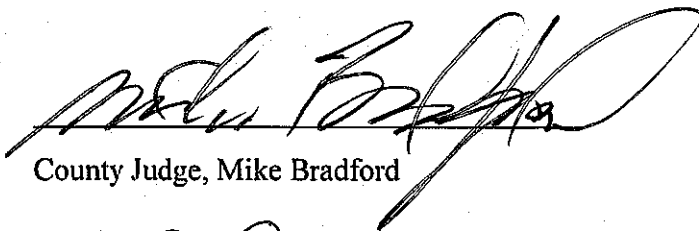
WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its' own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

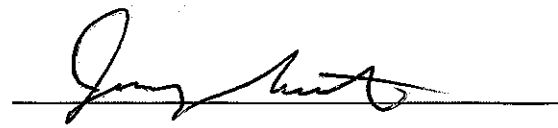
WHEREAS, the Midland County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

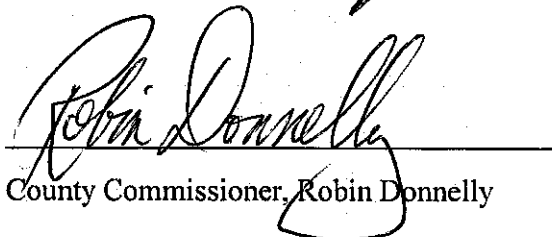
WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.


NOW, THEREFORE BE IT RESOLVED that the Midland County Commissioner's Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.


PASSED AND APPROVED this 23rd day of May, 2016.

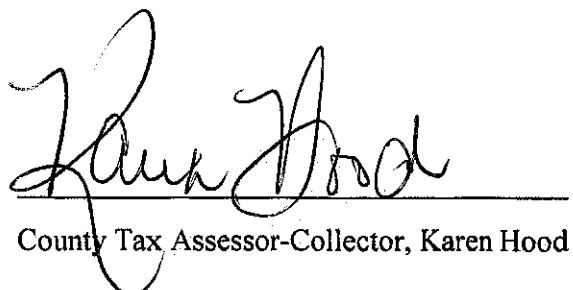

County Judge, Mike Bradford


County Commissioner, Jimmy Smith


County Commissioner, Robin Donnelly


County Commissioner, Luis Sanchez


County Commissioner, Randy Prude


County Tax Assessor-Collector, Karen Hood

From: [Nikki McDonald](#)
To: [Zz - Resource - GCO Rules](#)
Subject: Emailing: Letter and Resolution from Moore County re proposed rule chang
Date: Monday, May 23, 2016 2:46:57 PM
Attachments: Letter and Resolution from Moore County re proposed rule chang.pdf

Mr. Duncan,

I have attached a letter highlighting reasons not to accept the proposed changes to the rules. I have also attached a resolution from Moore County Commissioner's Court also urging you to not accept the rules as presented.

Please give this serious attention as I feel you have probably received numerous letters and resolutions from Tax Assessor-Collectors and Commissioner's Court throughout the state.

Sincerely,

Nikki McDonald
Moore County TAC
P O Box 616
500 S Dumas Ave
Dumas TX 79029-0616
Trueautomation.com

COUNTY OF MOORE



NIKKI MCDONALD

Tax Assessor-Collector
Dumas, Texas

806/935-2175
500 S DUMAS AVE

P.O. Box 616
Dumas, TX 79029

May 20, 2016

Texas Department of Motor Vehicles
c/o David D Duncan, General Counsel
4000 Jackson Avenue
Austin TX 78731

Re: Texas Administrative Code Chapter 217, Proposed Amendments

Chairwoman Ryan and board Members:

The Moore County Tax Office/Motor Vehicle Department (Tax Office/MVD) has concerns with the proposed changes discussed at the April 7, 2016 Texas Department of Motor Vehicles (TXDMV) Board meeting. I respectfully request that the Board review the following items:

- Texas Administrative Code Chapter 217.40, pertaining to the Even Trade. The change would require a person to provide personal information to the Tax office/MVD that seems to be a violation of the HIPAA rules and regulations. The State Comptroller's Office would be the best agency to handle this procedure since it is a Motor Vehicle Sales Tax issue.
- Texas Administrative Code Chapter 217, Subchapter 1, regarding Fee Changes. Any potential reduction of fees to the county could be devastating for the Tax Office/MVD. Moore County is a small county that faces challenges to provide the best service to the citizens while staying within a tight budget. Any reduction in fees would result in the County having to take more tax dollars raised from property taxes to fund the Motor Vehicle Department. With values declining our citizens do not need to pay more for the same services they expect from the Tax Office/MVD.
- Transportation Code Section 520.0005. The Moore County Tax Office/MVD serves our citizens and opposes any registration by internet or other means that would exclude our local office. TXDMV does not have the statutory authority to relieve County Tax Assessor-Collectors from any of the duties required to process registration renewal through the internet. Changes for Subsection 217.29 should be deleted.
- Section 217.204(d) pertaining to the new Subchapter J, Performance Review. This paragraph should be deleted and the language in 217.204(c)(2) amended. The Tax Assessor-Collector that has a recognition status revoked due to an accusation or other circumstances and is exonerated should not have to be re-elected to be eligible for reinstatement of their previously awarded recognition. They should be allowed to follow the same procedure as the Tax Assessor-Collector whose recognition was demoted to a lower level.

I am concerned with any proposed changes, but the items listed are areas that alarm our small offices. In conclusion, I would like to assure the TXDMV and Board that this office is dedicated to providing the best service to all citizens. We have a history of outstanding service and we focus on building working relationships with other departments and agencies.

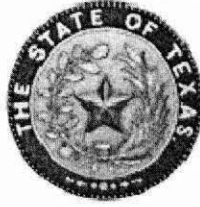
I am hearing from the taxpayers in Moore County it is time to slow down on the changes. Think about the changes that have been proposed, get taxpayer feedback as well as feedback from local elected officials and only make the changes that need to be made.

Sincerely,

A handwritten signature in black ink that reads "Nikki McDonald". The signature is written in a cursive, flowing style.

Nikki McDonald
Tax Assessor-Collector
Moore County, Texas

COUNTY OF MOORE



RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS, AND REDUCE LOCAL CONTROL

WHEREAS, the Moore County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83RD State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and


WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

WHEREAS, the Moore County Tax Assessor-Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

NOW, THEREFORE BE IT RESOLVED that the Moore County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

PASSED AND APPROVED this 23rd day of May, 2016.


Rowdy Rhoades
County Judge

Daniel Garcia
Commissioner, Pct. 1

Len Sheets
Commissioner, Pct. 2

Milton Pax
Commissioner, Pct. 3

Lynn Cartrite
Commissioner, Pct. 4

As a customer of Fry Auto Title Service, I am a supporter of private title services to process my title and registration needs, and do not object to the service fees currently being charged. I believe that law changes that would regulate their fees and would force them to permanently close the business are not warranted.

Date:

Customer Signature: _____

NOTE: Department received a petition with 341 signatures in response to the 4/7/16 proposed rules.

4/7/16	Georgina Medina
4/7/16	Alshad Ash
4/7/16	Rachel Lemicki
4/7/16	Eusebio MTZ
4/7/16	Marc Ashe
4/8/16	John W. Galt
4/8/16	Jesus Delgado
4/8/16	Melissa Atczak
4/8/16	Shavonne Felix
4/8/16	John M.
4/11/16	R. P.
4/11/16	Darci Euell

Jennifer Schlicke-Carey

TAX ASSESSOR-COLLECTOR
ERATH COUNTY
320 WEST COLLEGE ST.
STEPHENVILLE, TEXAS 78401
TAX OFFICE: (254) 965-8630
MOTOR VEHICLE: (254) 965-8830
FAX: (254) 965-4594



RECEIVED

MAY 25 2016

**TxDMV
OFFICE OF GENERAL COUNSEL**

Texas Department of Motor Vehicles
% David D Duncan, General Counsel
4000 Jackson Avenue
Austin TX 78731

May 23, 2016

Re; Proposed rule changes to Chapter 217, Subchapter H, Subchapter I and Section 520.005 of the Transportation Code.

Chairwoman Ryan and DMV Board Members

The Tax Assessor-Collectors for the state of Texas do understand the DMV does need to come up with a plan to fully fund their department. They should not be coming up with a plan that will cut the county budgets of expected revenues.

Under the Texas Constitution, the County Tax Assessor-Collector is personally liable for the monies collected in their office or on their behalf. We take the responsibility very seriously.

Section 217, Subchapter H, The TxDMV should not have any authority to approve or terminate the duties for Full Service or Limited Service deputies already approved by the Tax Assessor-Collector and their Commissioners Court.

Section 217, Subchapter I, Fees. The proposed fee structure does appear to fund the TxDMV offices, but it will cut into the commission fees collected to fund the offices performing the duties. We should not expect to have a reduction in fees when we will still have the liability for the fees. I do not believe the TxDMV has the authority to relieve the County Tax Assessor-Collector from the duties and responsibility of internet renewals. If a registration was not received by the customer, they would still be coming back to our offices to replace the lost sticker. We would still be out the time and in most cases the mailing costs.

I believe the TxDMV personnel need to go back to the drawing board to rethink some of the rules posted.

Sincerely,

Jennifer Carey
Jennifer Carey

From: [ggt](#)
To: [Zz - Resource - GCO Rules](#)
Subject: No to Rule Proposal on Ch. 217
Date: Wednesday, May 25, 2016 9:40:46 AM

No to rule proposal Ch.217

I am aware of the prices the private licence plate companies have, and I want to pay them.

Because they have a deep knowledge base, expertice and experience in licensing, titleing, ownership, tax, forms and can always provide you with a solution, or a path to the solution.

Also they are walk in, ready, and local. They provide a valuable service that I gladly pay extra for.

Thanks

I know this is a few days late

G Thompson

From: Bob Strobo
To: Zz - Resource - GCO Rules
Subject: Rule Proposal-Ch. 217-SUPPORT OF PRIVATE SECTOR AUTO LICENSING AND TITLE AGENTS
Date: Thursday, May 26, 2016 6:05:34 PM

Dear Mr. Duncan,

The purpose of this letter is to express my support of private automobile titling and licensing agents. I have 8 automobiles and trailers I currently register in Texas.

As businessman, having an alternative to the Tax Office is very important to me both as a customer and as a tax payer.

1. As a customer, the additional locations, ease of service and efficiency is very convenient.
2. The sometimes long lines at the Tax Office, would be substantially longer if it were not for the additional service provided by private sector agents.
3. As a tax payer, I see the cost savings provided by allowing private sector entities provide.

It seems like a win/win to support the independents. I cannot find a downside.

I have been a patron of the independent title agents since 1980 and feel the small service fee they charge for their service, to be a very small price to pay to speed up my title and registration needs and to ease the annual tasks of registration. As a businessman, I wonder how they can operate on such small margins.

My needs have always been met with professionalism and efficiency and I have never had a single complaint regarding my dealings over the past 37 years.

It is my sincere hope that you will consider my comments in your decisions and allow and encourage the independent automobile title services.

Thank you for your consideration,

Bob Strobo
Austin, Texas 78730

From: [Reed, Crystal](#)
To: [Zz - Resource - GCO Rules](#)
Cc: [Hamilton, Rob](#); [Scott, Leslie D](#)
Subject: Fee Change
Date: Friday, May 27, 2016 2:19:33 PM

Kroger would ask that the state consider increasing the fee that the retailer retains for processing license renewals. We would like to request to move from a \$1 fee to a \$2 fee per license renewal. The \$1 fee has been in place for many years while our cost associated with processing license renewals has increased.

- The state required Kroger to move to processing payments through our own equipment. This resulted in the expense of adding computers to some Service Centers and adding printers. We also had to add electrical and network connections to some locations.
- After we moved to our own equipment, we now incur printer expenses such as toner and paper.
- The state stopped providing pre-addressed postage paid envelopes to send our required paperwork each week. This resulted in an expense to our company for the envelopes and postage.
- The state combined state inspections and license renewals. This added extra labor time to process some license renewals when we must verify the inspections.
- Some counties require the store to visit the county location for supplies and submit weekly paperwork. This requirement is causing labor and travel expenses as well as exposing our associates to potential accidents while on the road.
- Kroger incurs the Debit and Credit processing fees.
- Kroger incurs any losses associates with Debit and Credit Chargebacks and return check losses.

Thank you for the opportunity to share our request to increase the license renewal fee to \$2.

Thank you,
Crystal Reed
Houston FE Manager
713-249-0237

RESOLUTION 06132016-01

RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNT REVENUES, INCREASE COUNTY COST, AND REDUCE LOCAL CONTROL.

WHEREAS, the Donley County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

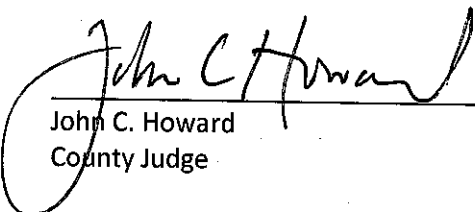
WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Department of Motor Vehicles to establish certain fees by board rule; and

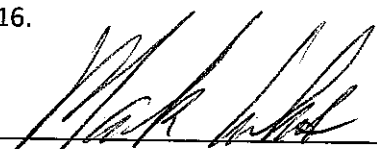
WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

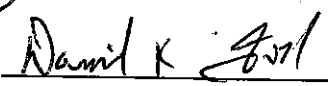
WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

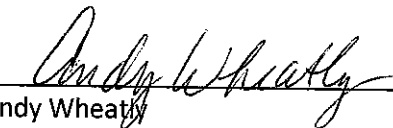
NOW, THEREFORE BE IT RESOLVED that Donley County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.

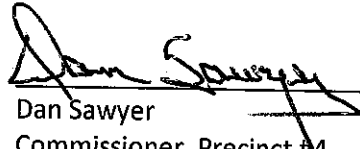
PASSED AND APPROVED this 13th day of June, 2016.

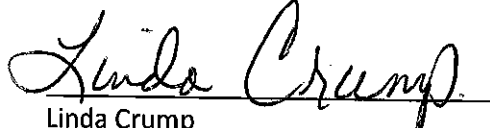

John C. Howard
County Judge


Mark White
Commissioner, Precinct #1


Daniel Ford
Commissioner, Precinct #2


Andy Wheatly
Commissioner, Precinct #3


Dan Sawyer
Commissioner, Precinct #4


Linda Crump
Tax Assessor-Collector

RESOLUTION #2016-02

RESOLUTION OPPOSING RULES PROPOSED BY THE TEXAS DEPARTMENT OF MOTOR VEHICLES THAT DECREASE COUNTY REVENUES, INCREASE COUNTY COSTS, AND REDUCE LOCAL CONTROL

WHEREAS, the Panola County Tax Assessor Collector is charged with collecting vehicle registration fees, which provide for certain legislative authorized revenues to offset costs associated with collecting and dispersing these fees for the Texas Department of Motor Vehicles; and

WHEREAS, the 83rd State Legislature passed HB 2202 which created the Texas Department of Motor Vehicles Fund, authorized the Texas Department of Motor Vehicles to establish certain fees by board rule, authorized the board to direct certain fees to the Fund, and allows county revenues to be set by board rule; and


WHEREAS, the Texas Department of Motor Vehicles has proposed rules setting title transfer and registration processing and handling fees for its own funding; and has further proposed fees and changes for the County Tax Assessor-Collectors, and the various deputy classification types; and

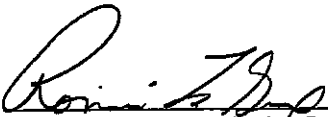
WHEREAS, the Panola County Tax Assessor Collector may deputize full service title companies to provide titling and registration services and limited service companies to provide registration services, which increase access and locations for these services by citizens; and

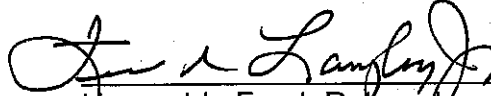
WHEREAS, the rules proposed by the Texas Department of Motor Vehicles will decrease county revenues, increase county costs, and reduce local control.

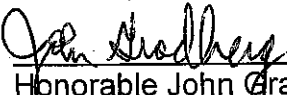
NOW, THEREFORE BE IT RESOLVED that the Panola County Commissioners Court opposes the rules as proposed by the Texas Department of Motor Vehicles amending Title 43 of the Texas Administrative Code Chapter 217.


ADOPTED this 13th of June, 2016.


Lee Ann Jones, County Judge


Honorable Ronnie LaGrone
Commissioner, Precinct One


Honorable Frank R. Langley, Jr.
Commissioner, Precinct Three


Honorable John Gradberg
Commissioner, Precinct Two


Honorable Dale LaGrone
Commissioner, Precinct Four

ATTEST:


Bobbie Davis, County Clerk



PAUL D. WORKMAN
STATE REPRESENTATIVE
District 47

June 24, 2016

The Honorable Laura Ryan, Chair, and Board Members Texas Department of Motor Vehicles
4000 Jackson Avenue
Austin, Texas 78731
Sent via fax to: 512-465-3098

Re: Response to Chair Ryan Letter to Rep. Workman; Updated Proposed DMV Rules published in the April 22, 2016 *Texas Register*

Dear Chair Ryan and Texas Department of Motor Vehicles Board Members:

Thank you for your letter dated June 22, 2016 responding to the May 20, 2016 letter sent to you and the other TxDMV board members signed by many legislators, including me.

The staff-recommended updated rules proposal is disappointing. As a lawmaker representing much of Travis County, I reiterate the concern about how these proposed rules - even the updated proposal - negatively impact taxpayers, small businesses, and Travis County government. As you know, the Travis County Tax Office, currently authorizes private-sector full-service deputies to provide registration and title services.

The updated staff-recommended rules proposal continues to unacceptably negatively impact independent auto title companies providing vehicle registration and titling services as deputized by the Travis County Tax Assessor-Collector.

Please dialogue with the Travis County Tax Assessor-Collector prior to the Monday, June 27 morning Board meeting to change the proposed rule in a manner acceptable to the Travis County Tax Assessor-Collector. Resolving language of the rules in a manner acceptable to the Travis County Tax Assessor-Collector will maximize the likelihood that local small businesses, some operating for more than 50 years, will not have to close their operations due to the actions of your state agency board.

For Texas,

A handwritten signature in black ink, appearing to read "Paul Workman", with a long, sweeping horizontal line extending to the right.

Rep. Paul Workman, District 47