

TEXAS DEPARTMENT OF MOTOR VEHICLES
LEGISLATIVE & PUBLIC AFFAIRS COMMITTEE
MEETING

OPEN MEETING VIA TELEPHONE CONFERENCE CALL
PURSUANT TO GOVERNOR'S MARCH 16, 2020,
TEMPORARY SUSPENSION OF CERTAIN
OPEN MEETING PROVISIONS

2:00 p.m.
Wednesday,
September 30, 2020

COMMITTEE MEMBERS:

Paul R. Scott, Chair
Tammy McRae
Shelley Washburn

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5. The Committee may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code, Chapter 551:	none
• Section 551.071	
• Section 551.074	
• Section 551.076	
• Section 551.089	
7. Action Items from Executive Session	none
8. Public Comment	none
9. Adjournment	33

P R O C E E D I N G S

1
2 MR. SCOTT: Good afternoon. My name is Paul
3 Scott, and I am pleased to open the Legislative and Public
4 Affairs Committee of the Board of the Texas Department of
5 Motor Vehicles. Will all Board members please make sure
6 their video is turned on throughout the meeting, and use
7 their unmute button prior to speaking.

8 It is now 2:00 p.m. I am calling the Committee
9 meeting for September 30, 2020 to order. I want to note
10 for the record that the public notice of this meeting,
11 containing all items on the agenda was filed with the
12 Office of the Secretary of State on September 22, 2020.

13 Before we begin today's meeting, please place
14 all cell phones and other communication devices in a
15 silent mode. And please, as a courtesy to others, do not
16 carry on side conversations or other activities during the
17 conference call.

18 This meeting is being held by conference call
19 in accordance with Texas Government Code Chapter 551 as
20 temporarily modified under Governor Greg Abbott's
21 authority to suspend certain statutes, due to COVID-19.
22 Governor Abbott suspended various provisions of the Texas
23 Open Meetings Act that require government officials and
24 members of the public of to be physically present at
25 specified meeting locations.

1 Under that suspension, the public will not be
2 able to physically attend this meeting in person.
3 Instead, the public may attend this meeting by using the
4 link or calling a toll-free number, which were both posted
5 on our agenda, which was filed with the Secretary of State
6 on September 22, 2020.

7 All Committee members, including myself will be
8 participating remotely, via Webex. At this time, please
9 mute your phones for the entire duration of the meeting.

10 I am asking our Webex meeting host to make sure
11 all participants' phones are muted and their video is
12 turned off, except for Committee members and those who are
13 presenting. Callers will be removed for any disruption,
14 including backtalk.

15 I would like to remind all participants that
16 this is a telephone conference call. Because this meeting
17 is being held by telephone conference call, there are a
18 few things that will assist in making this run smoother
19 and assist the court reporter in getting an accurate
20 record.

21 First, Department staff and any commenters
22 should identify themselves before speaking. Secondly,
23 speak clearly, and remember that there may be a slight
24 delay, due to the telephone conference call meeting. So,
25 please wait a little longer than usual before responding

1 to participants.

2 Do not speak over others. And speakers should
3 ask the Committee Chair permission to proceed and be sure
4 to get recognized before speaking.

5 If you wish to address the Board, or speak on
6 an agenda item here at today's meeting, please send an
7 email to gco@txdmv.gov. Please identify in your email
8 the specific item you are interesting in commenting, your
9 name and address, and whether you are representing anyone
10 or speaking for yourself. If your comment does not
11 pertain to a specific agenda item, we will take your
12 comment during the general public comment portion of the
13 meeting.

14 In accordance with Department administrative
15 rule, comments to the Board will be limited to three
16 minutes, then the call will be muted by the meeting host
17 when your time is up. Comments should be pertinent to the
18 issue stated in your email. When addressing the Board,
19 please state your name and affiliation for the record.

20 We will proceed to Agenda Item 1, roll call and
21 establishment of a quorum. And now I would like to have a
22 roll of the Committee members. Please respond verbally
23 when I call your name.

24 Member McRae.

25 MS. McRAE: Here.

1 MR. SCOTT: Member Washburn.

2 MS. WASHBURN: Here.

3 MR. SCOTT: And I, Paul Scott, let the record
4 reflect that I am here, too. We have a quorum. The
5 posted agenda stated that a quorum of the Board may be
6 present at this meeting. However, Board members who are
7 not members of the Legislative and Public Affairs
8 Committee will not vote on any agenda items today, nor
9 will any Board action be taken.

10 Before I begin, I ask that the Board and other
11 panelists please turn off their audio and video, except
12 for Jeremiah Kuntz, who will -- we will pause to give
13 presenters and Board members a moment to turn off their
14 audio and video.

15 (Pause.)

16 MR. SCOTT: Jeremiah Kuntz will lead us in the
17 Pledges of Allegiance.

18 (Whereupon, the Pledges of Allegiance were
19 recited.)

20 MR. SCOTT: Jeremiah, thank you for leading us
21 in the pledges. Members, please turn your video back on.

22 We will now move to Agenda Item 3, comments and
23 announcements. At this time, I will turn it over to
24 Whitney Brewster regarding the House Transportation town
25 hall.

1 MS. BREWSTER: Thank you, Chairman Scott and
2 Members McRae and Washburn. I know that there's going to
3 be a lot of discussion here in a little bit around future
4 legislative items when Ms. Love provides information to
5 you here in a bit. But I wanted to give you an update on
6 a recent legislative meeting that occurred.

7 In normal circumstances, between legislative
8 sessions, there would be interim hearings. The House and
9 Senate Committees would be having these interim hearings
10 to discuss and really do a deeper dive on interim charges
11 issued by the Speaker and Lieutenant Governor, and then
12 also hear updates from agencies under the different
13 Committees' purview on operations that are happening here
14 at the Department.

15 But due to the impacts of COVID-19,
16 unfortunately plans for several of the interim hearings
17 were cancelled. However, some of the committees have
18 continued to hold virtual town hall events. And this is
19 to hear updates from agencies, again, under their purview.

20 And these are -- these have not been official
21 public meetings, but they have been events to help members
22 at the Legislature and the public kind of stay up to date
23 on things that are going on with the different
24 Departments.

25 So on September 17, the House Transportation

1 Committee Chairman, Terry Canales, he hosted a virtual
2 town hall and heard updates from the Texas Department of
3 Transportation as well as our agency.

4 And specifically, Chairman Canales asked our
5 agencies to really talk about the impacts to our
6 operations from COVID-19; ways that we have adjusted to
7 providing services to customers and then some of the long-
8 term impacts from the pandemic.

9 And Chairman Trevino and I provided an update
10 to the Committee and outlined the financial impacts of
11 COVID-19 and how many of those revenues are anticipated to
12 be deferred once the current waivers are lifted. Also, we
13 had the opportunity to talk about the Department's
14 response, what we have done.

15 We talked a bit about the Regional Service
16 Centers installing plexiglass and social distancing
17 markers, PPE to employees and customers, and really how we
18 have leveraged technology to help up through COVID-19,
19 such as, you know, implementing of the appointments-only
20 system, as well as the notice to customers via text that
21 it's their turn to come into the building, so we could
22 reduce that heavy traffic coming through our offices.

23 And then, also, just talking about the demand
24 on the Agency and in particular, areas like our Consumer
25 Relations Division and the increases that we have seen in

1 the number of contacts, either through email or over the
2 phone.

3 So just -- Chairman Canales seemed especially
4 interested in our significant growth when it comes to
5 social media channels. For example, at the beginning of
6 March, our Agency had about 5,000 Facebook followers.
7 Today our Facebook page has over 54,000 followers.

8 And I think this is reflective of our
9 customers' need for timely and helpful information. And I
10 think too it also helps our Agency to provide updates to
11 Texans in a timely manner, with a broader reach. And so
12 we were able to talk a little bit about that during the
13 hearing. All in all, it went very well. I just wanted to
14 provide an update on that.

15 But just kind of along the lines of these
16 interim hearings and how the committees are substituting
17 having those formal meetings, they've also been asking
18 for -- posting requests for information from the agencies
19 and stakeholders.

20 And so in your books, in your materials,
21 starting on page 5, you can see what our agency provided
22 in response to the Request for Information from the House
23 Transportation Committee. And it has a lot of, I think,
24 good information about transportation revenue trends and
25 what we have done specifically within the Department when

1 it comes to impacts from COVID-19.

2 So I just wanted to provide that information to
3 you for reference. Thank you very much for the
4 opportunity to address the Legislative and Public Affairs
5 Committee.

6 And, Chairman Scott, I am happy to answer any
7 questions that you or other Board members may have.

8 MR. SCOTT: Okay. Are there any questions for
9 Ms. Brewster?

10 MS. McRAE: I have no questions.

11 MR. SCOTT: Okay. Well, hearing none, we will
12 now move to the next Agenda Item, that is Agency Process
13 for Legislative Session. We will now hear from Caroline
14 Love on Agenda Item 4(a).

15 MS. LOVE: Good afternoon. Thank you, Chairman
16 Scott, and members of the Committee. My name is Caroline
17 Love; I am the director of the Government and Strategic
18 Communications Division for the Department.

19 And this afternoon, I wanted to review with all
20 of you what we anticipate for the upcoming session and how
21 my group and the Department will be interacting,
22 especially as it comes to interactions with the Board and
23 keeping you all informed of those activities.

24 First I thought it would be helpful to cover
25 some of the key dates that we are keeping in mind as we

1 move forward. First, we have November 9th, which starts
2 bill filing for the next session. And that is an open
3 bill filing, so anyone can file anything.

4 And my team and I will start monitoring those
5 bills that are filed for anything that might have a
6 potential impact to the Department. And we also will have
7 a legislative tracking system that will help us in keeping
8 track of those bills and then sending them out through to
9 our different business areas and also our General Counsel,
10 so that we can review them for financial and operational
11 impacts.

12 And then after that, of course, the next big
13 date is January 12, which is the first day of session.
14 And then two months after that, on March 12, is the last
15 day for legislators to file bills. And then of course,
16 the next big date after that is May 31, which is when they
17 are scheduled to conclude their session and sine die.

18 So those are kind of some of the big dates
19 coming up over the next several months. And what my group
20 will be doing during that time is we'll have regular
21 meetings with internal business areas to be sure that we
22 are talking about any legislation coming through that
23 would have those impacts and provide any information back
24 to the Legislature to help with their decision-making
25 processes.

1 And then we are also -- the Legislative Budget
2 Board will analyze bills and ask agencies to submit a
3 fiscal analysis. And so that is another process that my
4 team will help coordinate within the Agency, to get that
5 information submitted.

6 So we plan to hold, at a minimum, weekly
7 meetings with the team and talk through some of those
8 bills of significance. But in addition to those, we are
9 working with the Board support office to make sure there's
10 information on the Board's SharePoint site.

11 There will be a particular legislative page
12 that will help us have a place to put information about
13 any bills that are of interest. And we also will have
14 there these key dates to keep in mind. And there will be
15 links to the committee pages as well, and that way, you
16 will know who the members of those legislative committees
17 we deal with most include.

18 So those committees will not be official until
19 after the Legislature begins. They will be announced by
20 the Lieutenant Governor and whoever the Speaker may be.
21 Usually it happens within about a month of when the
22 Legislature begins. So we will certainly be keeping
23 everyone in the loop on those activities.

24 And in addition to that, whenever there are any
25 requests for legislative meetings that would include the

1 Department, we will coordinate with executive leadership
2 to make sure the Department is represented in those and
3 any hearings that come up.

4 In particular, we know for certain there will
5 be budget hearings. So the Senate Finance Committee and
6 the House Appropriations Committee and the Legislative
7 Budget Board, they will have hearings to hear from the
8 Department about our Legislative Appropriations Request,
9 which you will hear more about from Linda Flores, our CFO,
10 tomorrow.

11 And just kind of keeping everybody in the loop
12 on those hearings and providing reports on what happens in
13 those hearings is a big component of what my team works
14 on, as well. So we will be sure to provide those updates
15 and reports through that SharePoint site for the Board as
16 well to reference.

17 We also monitor any of the floor activities
18 where the bills of significance may be discussed. That
19 way we can provide reports and feedback to the Department
20 and the Board on any activities there.

21 So that's a pretty high-level overview of how
22 my team will be engaging with the Department and the Board
23 throughout the session, and I'm happy to answer any
24 questions you may have.

25 MS. McRAE: I have a question.

1 MR. SCOTT: Anyone have any questions?

2 MS. McRAE: Yeah. I know you don't have the
3 answer to this, but I am going to ask it anyway. Do you
4 have any idea of how COVID will affect any of this,
5 whether it's volume of bills or pace? Do we know anything
6 yet?

7 MS. LOVE: That's a great question. And there
8 has been some discussion among legislators and staff about
9 how the upcoming session will look.

10 And they have taken steps to install plexiglass
11 in some of the hearing rooms so they can have hearings
12 safely. But they are looking, I'm sure, at other options
13 as well.

14 I know that there are many legislators who, if
15 you have been to the Capitol recently, if you go into a
16 legislative office, they can be small but heavily staffed.

17 There will be interns and people crammed into small
18 spaces.

19 There's definitely a desire to keep those
20 offices not as fully staffed, to limit the exposure and to
21 help with social distancing. So because of that, there
22 has been a lot of discussion that the capacity for the
23 Legislature to have a lot of meetings, to consider a lot
24 of legislation, and do a lot of their normal activities
25 will be limited.

1 So that will definitely impact their capacity.
2 And beyond that, everything else is a rumor at the
3 moment. You know, there's all these rumors about what if
4 it's a budget-only session and things like that. So as
5 soon as we get more information on those things, we will
6 be sure to inform the Board as well.

7 MS. McRAE: Thank you.

8 MR. SCOTT: Are there any more questions?

9 Tracey, do we have any comments from the
10 public?

11 MS. BEAVER: Tracey Beaver, General Counsel,
12 for the record. No comments from the public. Thank you.

13 MR. SCOTT: Okay. We can now move to Agenda
14 Item 4(b), which is the recommended legislation to the
15 87th Legislature. We will now hear from Caroline Love on
16 Agenda Item 4(b).

17 MS. LOVE: Thank you. So the Texas Department
18 of Motor Vehicles Board is charged with considering
19 opportunities to help support operations of the Department
20 and recommend any statutory changes to the Legislature
21 that may assist with efficiencies.

22 And so earlier this year, my group has reached
23 out to all the divisions within the Department to see if
24 they have identified any statutes that would impede our
25 efficiency in operations.

1 And we have taken that information and reached
2 out to stakeholder groups as well to get their feedback on
3 any items we identified and potential impacts to their
4 operations that need to be considered as well. And so in
5 your packets, starting on page 44, are the items that we
6 would like this committee to consider for further
7 recommendations for adoption.

8 And then there's -- that is included in Section
9 1 of the document. There's a second section that has
10 items that we will be researching further, because we have
11 received some feedback that will make -- want us to have
12 further discussions before moving forward on those.

13 And so I will go ahead and start by explaining
14 those items that are included in Section 1. And they are
15 broken out by functional area within the Department.

16 So we start with the enforcement-related items.
17 The very first one that we have relates to a mandatory
18 filing that chief appraisers -- tax appraisers currently
19 do for dealers who we have not filed their inventory or
20 sell fewer than five vehicles in a calendar year.

21 While the second part of that requirements will
22 be mandatory still for an appraiser to file for a dealer
23 who sells fewer than five vehicles in a calendar year, the
24 other component would provide more flexibility to tax
25 appraisers, where they would only need to file if they

1 found a need to do so.

2 And we have reached out to the tax appraisers
3 and also the motor vehicle dealer community on this one,
4 and it has support from those communities. We just wanted
5 to provide more flexibilities there.

6 But there are still opportunities for the
7 Department to continue to monitor those activities through
8 reports that we receive. So there really isn't more of a
9 change, other than providing greater flexibility to
10 appraisers in those situations.

11 And if at any time you have any questions, feel
12 free to let me know. But I will continue through these,
13 and we can also go back to any at the end as well.

14 The next item under the enforcement area cleans
15 up some statute. And there are a few items similar to
16 this throughout the list of recommendations which really
17 just help us clarify the statutes.

18 There were two bills that passed back in 2013
19 that amended the same section of code. So this just takes
20 out the extra language and makes it clear in statute which
21 section is the prevailing one.

22 And then next I will move on to the motor
23 carrier items. There are a few in this one. There's a
24 new recommendation that our team had, and it relates to
25 certain outdated oversize and overweight permit bond

1 requirements.

2 These permit bonds were to be called upon by
3 the state through the Texas Department of Transportation
4 or counties, if a truck that had such a permit created
5 damage when they weren't on their route. Throughout the
6 time that these bond requirements have been in place,
7 neither TxDOT nor the counties have utilized these bonds,
8 and they do create a significant amount of work for staff.

9 We have reached out to both TxDOT and counties
10 on this recommendation and received positive feedbacks of
11 that will help streamline our processes internally.

12 And then another motor carrier related item
13 relates to motor transportation brokers who have to file
14 with the Department. There are only four such brokers.
15 And they have a very small bond requirement as well, and
16 there is a lot of time that is contributed to making sure
17 that these filings are correct. And we have come to learn
18 that they are likely not very helpful or needed, and so
19 our recommendation here would be to remove those
20 requirements. And again, we have reached out to the
21 trucking association and associated stakeholders and
22 received positive feedback on this one.

23 And then the next two items under the motor
24 carrier area are items that the TxDMV Board have adopted
25 in the past but did not become law. And there are a lot

1 of reasons that this happens, and sometimes it is just
2 because the timing isn't on our side. These bills made it
3 through the process, but didn't meet the deadline to be
4 heard before the end of the session.

5 And so there hasn't been any negative feedback
6 on these, but we want to continue to pursue them, because
7 they will help clean up the statutes on references to axle
8 distribution for certain trucks, and also conforming our
9 state laws to federal laws.

10 There's a risk that if our state statutes do
11 not conform to certain federal laws, that Texas could lose
12 federal highway funding. Thankfully that hasn't happened
13 yet. But that is the goal with this, is to prevent that
14 potential scenario.

15 Next I will move on to the Motor Vehicle Crime
16 Prevention Authority recommendations. There's two items
17 on this one.

18 One relates to an outdated reporting
19 requirement. When the MVCPA program was under the Texas
20 Department of Transportation, their grant funds were
21 included in their districts' and counties' statistic
22 reporting. It is also referred as DISCOS, and that report
23 is something TxDOT produces every year to show where
24 Transportation funds are being distributed throughout the
25 state.

1 And since MVCPA has moved over to DMV, there's
2 a different reporting we do that covers this requirement.

3 But to help with TxDOT streamlining their reporting and
4 also with our team and reporting, we would recommend that
5 this item be removed from TxDOT's reporting requirement.

6 We also have another item for MVCPA that
7 relates to allowing for the recovery of costs for any
8 grant funds that have been denied, and so that would
9 streamline processes for that item as well.

10 There's -- on the Motor Vehicle Division side,
11 we have one very minor reference that's a cleanup to an
12 old reference to the Motor Vehicle Board, which now, of
13 course, it's the Texas Department of Motor Vehicles Board.

14 So we want to clean up that reference.

15 Another item relates to the Office of
16 Administrative Hearings and the processing of lemon law
17 and warranty cases. There are a few items here. We need
18 to clean up a reference to information that's exempted
19 from public information requests.

20 And then also the current process is that when
21 there's a lemon law case and the manufacturer is not on
22 the prevailing side, the final order must dictate that the
23 manufacturer cover the filing fees. And so this would
24 have that provision placed in statute and just help
25 streamline those final orders to not be so specific.

1 And there's also another option that came from
2 another part of the recommendation that came from an
3 internal audit that said that someone other than a chief
4 hearings examiner could provide for a rehearing motion.
5 So that is something that we thought would be helpful to
6 have in that statute as well.

7 And then we get to the registration-related
8 items. The first one relates to local option fees that
9 are assessed at the county level and when vehicle
10 registration renewals are due. So the local option fees
11 will take effect on January 1 of any given year.

12 And oftentimes people who are ahead of the
13 curve will renew their registration before January, and so
14 this will help to clarify that those fees take effect on
15 January 1. Therefore, if somebody renewed early -- unlike
16 me; that's not my normal process -- they would have it
17 clear when those fees are applied to that registration
18 renewal.

19 And then another registration-related item will
20 help to clean up some references in statute to license
21 plates. There are a couple of military plates that are
22 outside of the norm when it comes to the remainder of
23 military plates.

24 For example, the Legion of Merit military plate
25 currently has a registration fee assessed on it, so we

1 want to bring that in line with the other military plates
2 that do not include a registration fee for that first set
3 of license plates.

4 And then also there are some license plates
5 that have been in the statute for more than five years and
6 they have never been manufactured.

7 And so when a specialty license plate is
8 created by the Legislature, the statute says that a
9 deposit must be made by the interested party to help with
10 the manufacturing of that plate. And then once the plate
11 has received that amount of revenues and plate orders,
12 that deposit goes back to the interested party, that that
13 helps to get the initial manufacturing of the plate on the
14 way.

15 Well, we have about five license plates that
16 have never received the deposit. And our -- they have
17 been in the statute for several years. And so this will
18 clean it up by removing them from the statute, those
19 specialty license plates.

20 And then the very last one that we have is
21 related to titles. And this one is definitely more of a
22 cleanup or clarifying in nature. It helps to clarify that
23 the holds that are placed on titles during lawsuits are
24 not eligible for salvage of non-repairable motor vehicles
25 and also that the salvage and non-repairable motor

1 vehicles are not eligible for title hearings or bonds.

2 And that concludes the items that we have for
3 recommendation, and I am happy to answer any questions.

4 (Pause.)

5 MS. BEAVER: Member Scott, I believe you're
6 still muted.

7 MR. SCOTT: Do we have any questions?

8 MS. WASHBURN: No questions.

9 MR. SCOTT: Do you have a question, Member
10 Washburn?

11 MS. WASHBURN: I do not. Sorry about that.

12 MR. SCOTT: Okay. All right. I'm sorry about
13 that.

14 Tracey, do we have any comments from the
15 public?

16 MS. BEAVER: Tracey Beaver, General Counsel,
17 for the record. There have been no public comments;
18 nobody has requested to speak on this item. Thank you.

19 MR. SCOTT: Thank you, Tracey.

20 Okay. The Chair will now entertain a motion
21 for Agenda Item 4(b).

22 MS. WASHBURN: I would like to make a motion.
23 I move that the Committee recommend to the Board that they
24 adopt the proposed legislation recommendations as
25 developed by the Department staff with stakeholder input

1 and involvement; direct staff to finalize and submit the
2 recommendation to Legislature as directed in
3 Transportation Code 1001.025 for further consideration by
4 members of the Legislature for possible bill drafting and
5 potential filing. Lastly, staff shall provide the Board
6 regular updates throughout the legislative session on the
7 status of the recommendation.

8 MR. SCOTT: Do we have a second?

9 MS. McRAE: I will second the motion.

10 MR. SCOTT: We have a motion from Committee
11 Member Washburn, and a second from Committee Member McRae.
12 Is there any further discussion?

13 (No response.)

14 MR. SCOTT: All right. Hearing none, I call
15 for the vote. Board members, when I call your name,
16 please state your vote for the record. Member McRae.

17 MS. McRAE: Aye.

18 MR. SCOTT: Member Washburn.

19 MS. WASHBURN: Aye.

20 MR. SCOTT: And I, Chairman Scott, vote aye as
21 well. Let the record reflect that the vote was unanimous.

22 Okay. I will go back to Caroline to continue
23 with her presentation of briefing items under Agenda 4(b).

24 MS. LOVE: Thank you. So as I mentioned
25 before, there were a few items that we received some

1 feedback on and we would like to go back and have
2 additional conversations.

3 So what we will do is come back to the Board,
4 likely at the December meeting, with any further potential
5 recommendations for consideration. So at this time that
6 concludes my report for Agenda Item 4(b).

7 MR. SCOTT: Okay. Thank you. We will now hear
8 Agenda Item 4(c). Please continue.

9 MS. LOVE: Thank you. All right. I have been
10 talking more than I feel like I have talked in several
11 months. My daughters might not agree with that.

12 Okay. So Agenda Item 4(c) relates to the
13 Department's implementation of Sunset recommendations.
14 Last cycle TxDMV went through the Sunset review process,
15 which results in a report from Sunset staff, and that
16 report includes both management recommendations and
17 statutory recommendations.

18 The statutory recommendations were included in
19 Senate Bill 604 that was passed by the 86th Legislature.
20 And then the management recommendations are items that the
21 Department is to pursue throughout the interim. And so
22 this will provide -- this is to provide an update on the
23 implementation of both of those items.

24 When it comes to the management
25 recommendations, there's a chart that is in the Board

1 materials that lists each of the recommendations. And how
2 Sunset follows up with departments on this effort is the
3 state auditor will come back and ask for implementation
4 status on management recommendations.

5 And we did receive that request from the State
6 Auditor's Office. And we submitted what is reflected in
7 this report on September 21st. And then Sunset staff will
8 be following up with DMV later this year on our status of
9 implementation for the items that were included in Senate
10 Bill 604.

11 And many of those items in Senate Bill 604 have
12 already been implemented. The Department has been very
13 busy these past several months, the past year and a half,
14 I suppose I should say, implementing those items which
15 include training, not only for Board members, but also
16 staff, and also tax assessor collectors and their staff.
17 And there's been a lot of efforts that have been put
18 forward there.

19 But there are two items in particular that I
20 did want to be sure that this Committee and the Board is
21 informed on. The first one relates to the implementation
22 of digital license plates.

23 The Senate Bill 604 says that the Board is
24 required to adopt rules related to the implementation of
25 digital license plates, and the Board adopted rules in

1 July.

2 So what was required by Senate Bill 604 has
3 been met, but I did want to be sure that you all know that
4 staff is remaining on target to provide the functional
5 part of that, and we anticipate having an interface
6 available for any providers of digital license plates to
7 use before the end of this calendar year. So that is
8 something that remains underway.

9 The other item that was in Senate Bill 604 that
10 will probably get some attention this next session, as we
11 mentioned before, the budget is the main item the
12 Legislature needs to address. And certainly there has
13 been a big hit for a lot of areas when it comes to the
14 budget.

15 One of the legislative items in Senate Bill 604
16 stated that DMV must study alternatively fueled vehicles
17 and opportunities for how to assess a fee to those
18 vehicles to make up for what they are not paying into the
19 motor fuels tax.

20 And this report says that we needed to work
21 with five separate -- or, I'm sorry -- four separate
22 agencies to obtain the data to support what we are seeing
23 when it comes to alternatively fueled vehicles in this
24 state and the impact that it has, not only on our roads,
25 but also the environment and the utility system.

1 And so we are working with the Texas Department
2 of Transportation, the Texas Department of Public Safety,
3 the Texas Commission on Environmental Quality, and the
4 Public Utility Commission to gather that data.

5 We are near final with gathering that data and
6 compiling a draft of the report. The report is due to the
7 Legislature on December 1st. And so we anticipate that we
8 will have the report completed well within that time, and
9 we will definitely provide a copy to this committee upon
10 its finalization.

11 And that concludes my update on Sunset
12 implementation items. I'm happy to answer any questions.

13 MR. SCOTT: Any questions for Caroline?

14 (No response.)

15 MR. SCOTT: Okay. Tracey, do we have any
16 comments from the public?

17 MS. BEAVER: Tracey Beaver, General Counsel,
18 for the record. No comments from the public. Thank you.

19
20 MR. SCOTT: Okay. Then we will now move to
21 Agenda Item 4(b), and, Caroline, you are still up.

22 MS. LOVE: Yes. Thank you. Okay. Well, I
23 think this may be my last item.

24 As it relates to the Sunset process from last
25 session, the Texas Department of Public Safety also went

1 through a Sunset review. And their continuing
2 legislation, Senate Bill 616, said that they shall conduct
3 a study on looking at the challenges and opportunities of
4 transferring the driver license function from DPS to DMV
5 or another option.

6 They had a provision in Senate Bill 616 that
7 stated if a study that was to be conducted by a private
8 third-party independent vendor -- if it was not completed
9 by September 1st of 2020 and submitted to the Legislature,
10 then a transfer of that program would be automatic to the
11 Texas Department of Motor Vehicles as of September 1,
12 2021.

13 So this report was submitted prior to September
14 1st, to the Legislature, so the transfer will not go into
15 effect. And I wanted to give you all a brief overview of
16 what was included in the study. There is an executive
17 summary included in the Board materials for today.

18 But the study looked at several options: what
19 the future of the program would look like if it remained
20 with DPS; what the future of the program would look like
21 if it transferred to the Department of Motor Vehicles; and
22 also what it might look like to create the driver license
23 function as a standalone agency.

24 The University of Texas Center for
25 Transportation Research is who DPS acquired to conduct the

1 study. And as they conducted their research, they created
2 what is called a Likert chart that did a comparison of all
3 these options.

4 And they felt the creation of driver licensing
5 as a standalone agency is the preferred approach for the
6 future of that program. There was a lot of supporting
7 information in the reports about this.

8 There was a concern, if it came to a transfer
9 to the Department of Motor Vehicles, that it could be very
10 disruptive to our current programs and processes. And so
11 that was, I think, one of the main components for the
12 recommendation leading to the creation of a standalone
13 agency.

14 And that was the summary of the report. And if
15 you have any questions, I'm happy to answer them.

16 MR. SCOTT: Okay. Have any questions?
17 Anybody?

18 MS. WASHBURN: I have a question. So what is
19 next? So the report is provided.

20 MS. LOVE: Yes.

21 MS. WASHBURN: They can obviously make any
22 decision they want. Right? This is just a
23 recommendation.

24 MS. LOVE: Exactly.

25 MS. WASHBURN: So we just see what happens?

1 MS. LOVE: Yes. That is exactly right. So the
2 Legislature now has this. There's, interestingly, a House
3 Select Committee on Driver Licensing Issuance and
4 Renewals, and they have -- similar to what the House
5 Transportation Committee did that Ms. Brewster mentioned
6 previously, they have issued a request for information on
7 the potential transfer of the program.

8 And so that is something that we are looking
9 at, and we're looking at developing a response to the
10 Committee on that. But you are correct that at this
11 point, they can take that recommendation and the
12 Legislature can determine how they want to approach that
13 moving forward.

14 MS. WASHBURN: Okay. Thank you.

15 MR. SCOTT: Any other questions?

16 (No response.)

17 MR. SCOTT: Caroline, I have a question. If we
18 had a budget-only session, are there any more dates, like
19 the one that said the Committee -- the study had to be
20 done by September 1st. So, if it is a budget-only, I
21 guess this issue just gets punted over to the next
22 session. Would that be right?

23 MS. LOVE: Right. So there are a couple of
24 ways that you know -- and as I mentioned, the rumor mill
25 has many scenarios in play. There was a thought that if

1 there was a budget-only session, there could be a special
2 session once social distancing requirements are rescinded.

3 And then that session could take up any items deemed, you
4 know, appropriate at that time.

5 And I think what we will see that will be very
6 interesting is, when bill filing begins on November 9th,
7 if any the legislation is filed in this regard, because
8 that will helps us understand where the Legislature is
9 thinking of heading.

10 As we note, there were some standalone bills
11 last session that did contemplate a full transfer. But
12 they -- last session was certainly hectic in and of
13 itself, and they didn't make it through to the end,
14 obviously.

15 So we will have to wait and see, and we'll be
16 monitoring it closely as well.

17 MR. SCOTT: Thank you.

18 Tracey, do we have any comments from the
19 public?

20 MS. BEAVER: Tracey Beaver, General Counsel,
21 for the record. We have no public comment for this agenda
22 item. Thank you.

23 MR. SCOTT: Okay. We will now move to the next
24 agenda item. Let's see. Okay. The next agenda item
25 would be Executive Session, but we do not have an

1 Executive Session today. We're not taking up any of the
2 items in 5 or 6.

3 We will now move to Agenda Item 7, which is
4 public comment.

5 Tracey, do we have any public comment?

6 MS. BEAVER: No public comments. Nobody
7 registered to comment on the meeting today. Thank you.

8 MR. SCOTT: Okay. Well, we can now move to
9 Agenda Item 8, which is adjournment. Unless there's
10 further discussion, I would like to entertain a motion to
11 adjourn.

12 MS. McRAE: I make a motion to adjourn.

13 MR. SCOTT: Okay. We have a motion to adjourn
14 from Member McRae. Do we have a second?

15 MS. WASHBURN: I second it.

16 MR. SCOTT: Washburn seconds. When I call your
17 name, please vote for the record.

18 Member McRae.

19 MS. McRAE: Aye.

20 MR. SCOTT: Member Washburn.

21 MS. WASHBURN: Aye.

22 MR. SCOTT: And I, Chairman Scott, vote aye as
23 well. Let the record reflect that the vote is unanimous.
24 Thanks, everybody.

25 MS. McRAE: Thank you.

1 MS. WASHBURN: Thank you.

2 MS. LOVE: Thank you.

3 (Whereupon, 2:46 p.m., the meeting was
4 concluded.)

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MEETING OF: TxDMV Legislative & Public Affairs
Committee

LOCATION: via conference call

DATE: September 30, 2020

I do hereby certify that the foregoing pages,
numbers 1 through 35, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Nancy H. King before the
Texas Department of Motor Vehicles.

DATE: October 7, 2020

/s/ Carol Bourgeois
(Transcriber)

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