

TEXAS DEPARTMENT OF MOTOR VEHICLES

BOARD MEETING

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

Thursday,
April 2, 2020

BOARD MEMBERS:

Guillermo "Memo" Treviño, Chair
Charles Bacarisse, Vice Chair
Stacey Gillman
Brett Graham
Tammy McRae
John Prewitt
Joel Richardson
Paul Scott
Shelley Washburn

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10. Chapter 217, Vehicle Titles and Registration Amendments, §§217.3 and 217.141-217.143 New Subchapter L, §§217.401-217.407 (Relating to:
 -HB 1755, title and registration for assembled vehicles;
 -HB 3171, motor driven cycles; and
 -Transportation Code, §501.036 and §501.037, farm trailers, farm semitrailers, trailers, semitrailers, and house trailers.)
 (Proposal Published December 20, 2019 - 44 Tex. Reg. 7866)
 (Review by the Office of the Governor, Regulatory Compliance Division; submission 12/20/19; comment period closed February 3, 2020)

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EXECUTIVE SESSION

- | | |
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| 14. The Board may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code, Chapter 551:
Section 551.071
Section 551.074
Section 551.076
Section 551.089 | none |
| 15. Action Items from Executive Session | none |
| 16. Public Comment | none |
| 17. Adjournment | 82 |

P R O C E E D I N G S

1
2 MR. TREVIÑO: Good morning. My name is Memo
3 Treviño. Can everyone hear me okay?

4 (Affirmative response.)

5 MR. TREVIÑO: Perfect. And I am pleased to
6 open the Board meeting of the Texas Department of Motor
7 Vehicles. It is approximately 8:03 a.m., and I'm now
8 calling the Board meeting for April 2, 2020 to order.

9 I want to note for the record that the public
10 notice of this meeting containing all items on the agenda
11 was filed with the Office of the Secretary of State on
12 March 25, 2020.

13 This meeting is being held by telephone
14 conference call in accordance with Texas Government Code
15 Chapter 551, as temporarily modified under Governor Gregg
16 Abbott's authority to suspend certain statutes due to
17 COVID-19.

18 Governor Abbott suspended various provisions of
19 the Texas Open Meetings Act that require government
20 officials and members of the public to be physically
21 present at a specified meeting location. Under that
22 suspension, the public will not be able to physically
23 attend this meeting in person. Instead, the public may
24 attend this meeting by using the link or by calling the
25 toll-free telephone number which are both posted in our

1 supplemental agenda which was filed with the Office of the
2 Secretary of State on April 1, 2020. All Board members,
3 including myself, will be participating remotely via
4 WebEx.

5 At this time please mute your phones for the
6 entire duration of this meeting. I am asking our WebEx
7 meeting host, Tameka, to make sure all participants'
8 phones are muted and their video is turned off except for
9 Board members and those who are presenting. Callers will
10 be removed for any disruption, including background.

11 I would like to remind all participants that
12 this is a telephone conference call meeting. Being held
13 by telephone conference call, there are a few things that
14 will assist in making the meeting run smoother and assist
15 the court reporter in getting an accurate record.

16 Department staff and any commenters should
17 identify themselves before speaking. Speak clearly,
18 remember that there may be a slight delay due to the
19 telephone conference call meeting, so please wait a little
20 longer than usual before responding to participants. Do
21 not speak over others, and speakers should ask the
22 chairman to proceed and be sure to get recognized before
23 speaking.

24 Because the number of dial-in participants is
25 limited, if you wish to address the Board or speak on an

1 agenda item during today's meeting, please send an email
2 to GCO_General@TxDMV.gov. I'll repeat that. That's
3 GCO [General@TxDMV.gov](mailto:GCO_General@TxDMV.gov).

4 Please identify in your email the specific item
5 you are interested in commenting on, your name and address
6 and if you are representing or speaking for yourself. If
7 your comment does not pertain to a specific agenda item,
8 we will take your comment during the general public
9 comment portion of the meeting.

10 In accordance with department administrative
11 rule, comments to the Board will be limited to three
12 minutes, then the call will be muted. Comments should be
13 pertinent to the issues stated in your email. When
14 addressing the Board, please state your name and
15 affiliation for the record.

16 Before we begin today, I'd like to remind all
17 presenters and those in attendance of the rules of conduct
18 at our Board meeting. In the department's rules under
19 Section 206.22, the Board chair is given the authority to
20 supervise the conduct of the meeting.

21 This includes the authority to determine when a
22 speaker is being disruptive of the meeting or is otherwise
23 violating the timing or presentation rules I just
24 discussed. Disruptive speakers will be muted with no
25 warning about disruptive behavior and removed from the

1 meeting for any continued disruption.

2 We'll start off now by calling the roll of the
3 Board members.

4 Board Member Bacarisse, are you here?

5 MR. BACARISSE: I'm here.

6 MR. TREVIÑO: Great.

7 Board Member Gillman?

8 MS. GILLMAN: I'm here present.

9 MR. TREVIÑO: Board Member Graham?

10 MR. GRAHAM: Present.

11 MR. TREVIÑO: Board Member McRae?

12 MS. McRAE: I'm here.

13 MR. TREVIÑO: Board Member Prewitt?

14 MR. PREWITT: Here.

15 MR. TREVIÑO: Board Member Richardson?

16 MR. RICHARDSON: Here.

17 MR. TREVIÑO: Board Member Scott?

18 MR. SCOTT: Here.

19 MR. TREVIÑO: Okay. There we go.

20 Board Member Washburn?

21 MS. WASHBURN: Here.

22 MR. TREVIÑO: Great. Let the record reflect
23 that I'm Memo Treviño, I'm here too. We have a quorum.

24 All right. The next item is the pledges of
25 allegiance, and we are very fortunate today to have Mr.

1 Parker Kuntz, member of Cub Scout Pack 333, and the son of
2 Jeremiah Kuntz, our esteemed colleague here at the DMV,
3 who will lead us in the pledges of allegiance. I'd like
4 to ask everybody to stand, and Parker and Jeremiah, will
5 you lead us in the pledges of allegiance?

6 MR. KUNTZ: We'll be more than happy to.

7 (The Pledge of Allegiance and the Texas
8 Allegiance were recited.)

9 MR. TREVIÑO: What a treat. Parker, thank you
10 very much for joining us today and leading us in that. If
11 there was a merit badge for that I'd sign it off. We
12 ought to try and see if we can get you a special one of
13 that. Thanks again. Great job.

14 All right. I need to follow that up. This is
15 going to be tough, but we'll do our best.

16 Before we got to agenda item 3, I would like to
17 say thank you to our wonderful IT staff for ensuring that
18 the meeting link was functioning for today's meeting.

19 We now head to agenda item 3, the chair's
20 report.

21 Ladies and gentlemen, I would like to take a
22 moment and reflect on how much the world has changed since
23 our last Board meeting. Our thoughts and prayers go out
24 to everyone affected by the current crisis, and we hope
25 that things will return to normal soon.

1 I believe this is the first time we've had to
2 have a meeting by teleconference. Is that correct? I
3 knew it was possible before, but I'm guessing by the
4 silence it is the first time. We're cutting new trail
5 here, so I would like to thank all the members of the
6 Texas DMV for their diligence, patience, fortitude, and
7 flexibility in maintaining operations during trying times
8 for the citizens of Texas. Everyone's efforts are greatly
9 appreciated.

10 And I would particularly like to recognize the
11 Information Technology Services Division's efforts to
12 rapidly transition more than 85 percent of the agency to
13 work from outside our headquarters, giving us the ability
14 to help keep our team safe and yet still keep working for
15 Texans.

16 IT is rarely complimented for keeping things
17 working and is usually only noticed when something stops
18 working, and I think I speak for the Board in
19 characterizing their efforts as extraordinary. So thank
20 you very, very much.

21 Okay. So cutting new trail here. We will now
22 go to agenda item 4, our executive director's report.

23 Ms. Brewster, are you ready?

24 MS. BREWSTER: Thank you, Mr. Chairman. For
25 the record, Whitney Brewster, executive director of the

1 department.

2 In light of your recent comments just now, if
3 appropriate, I'd liked to take item 4.B up first, related
4 to the COVID disaster relief response by TxDMV.

5 Uncertainty and anxiousness abound during this
6 global health crisis, and at TxDMV over the last couple of
7 weeks it has been all-consuming to ensure that our agency
8 reduces the risk of exposure to COVID-19 to our employees
9 and to our customers while also continuing to provide the
10 essential services to Texans in order to be able to
11 continue to move forward through these unprecedented
12 times.

13 It has been our goal from the beginning to move
14 as many of our employees to telecommute as we can and to
15 spread out our staff as much as possible who must remain
16 on site to perform vital services.

17 As of March 31, we have 648 of our employees
18 telecommuting with 112 working on site at TxDMV offices
19 throughout the state. Of those, 66 employees are working
20 on site in regional offices. To get this number of people
21 telecommuting in such a short amount of time has been
22 quite amazing to see. I echo the comments by Chairman
23 Treviño: Our IT staff has done an outstanding job.

24 We are tracking absenteeism on a daily basis to
25 determine if COVID-19 is impacting the health of our

1 workforce. Fortunately, as of now our absenteeism is less
2 than 2 percent of the workforce, which is pretty standard
3 for us.

4 I am happy to say that all of TxDMV is running
5 and operations are continuing, and this is a significant
6 success given the circumstances going on around us. While
7 Camp Hubbard and the regional service centers are
8 presently closed for in-person transactions, we are
9 continuing to provide vital services through the mail,
10 email and phone. We have worked very closely with the
11 Governor's Office on various waivers to assist in the
12 response efforts.

13 Immediately following the governor's disaster
14 declaration on March 13, commercial vehicle registration
15 requirements to travel in and through the State of Texas
16 were temporarily suspended by the order of Governor
17 Abbott, and this was in an effort to make it faster and
18 easier for operators of commercial vehicles to provide
19 COVID-19 relief efforts.

20 Suspensions apply to the transportation of
21 supplies, medical equipment, and similar materials that
22 are necessary for preparing for or responding to the
23 spread of COVID-19. Additionally, requirements for 72-
24 and 144-hour temporary registration permits were also
25 suspended for the commercial motor vehicles that are

1 transporting those needed supplies.

2 On March 16 Governor Abbott also granted a
3 temporary extension to obtain initial registration,
4 renewal of registration, titling and renewal of permanent
5 disabled parking passes. He also granted a temporary
6 extension for an individual with an expired 30-day
7 temporary permit to be able to obtain another permit or
8 Texas registration.

9 Customers certainly can continue to renew their
10 registration online and through the mail, and to be clear,
11 this waiver will remain in effect until 60 days after
12 TxDMV notifies the public that normal services have
13 returned. So once the agency makes that public
14 announcement, customers will have 60 days to come into
15 compliance with those registration requirements.

16 Additionally, in order to assess the fiscal
17 impact of COVID-19, the Legislative Budget Board is asking
18 that all state agencies and universities are estimating
19 the costs associated with the response and are required to
20 report any reimbursements received from the federal
21 government or any impacts to our revenue collections as
22 well. So that first report will be provided to the
23 Legislative Budget Board on April 5 and then monthly
24 thereafter.

25 We will also keep the Board up to date with

1 that information as well, but I can give you some initial
2 figures at this time. We're still obviously compiling
3 that information, but not including staff time at this
4 point, which is significant, we have spent over \$70,000 on
5 items associated with COVID-19. Primarily associated were
6 things like cleaning services and supplies, as well as
7 headsets and equipment for our telecommuters.

8 Again, although we're very early on in
9 realizing the impacts of COVID-19 on TxDMV, there are some
10 initial observations that I'd like to share with the
11 Board.

12 Compared to this time last year, our Consumer
13 Relations Division has seen a decrease in phone calls for
14 the month of March of close to 10 percent at this point,
15 but a 12.6 percent increase in email communication. Our
16 Government and Strategic Communications has seen a huge
17 increase and a positive one through our social media
18 channels as well.

19 Specialty license plate production was
20 monitored on a daily basis, and the March 2020 production
21 is down 30 percent from March of 2019. Specialty license
22 plate production for the last 11 days of March 2020 is
23 down 52 percent from the first 11 days of March 2019. So
24 based on this trend, My Plates expects April sales to be
25 well below forecast, possibly around 50 percent at this

1 point.

2 In March 2019 the TxDMV regional service
3 centers collected almost \$15.2 million; however, March
4 2020 we collected roughly \$10.8 million through our
5 offices.

6 On the oversize/overweight permitting front,
7 we've collected almost \$18.2 million in revenue as of this
8 time last year. Those collections are at \$16.4 million
9 for March of this year.

10 Certainly there's more to come on the impacts
11 of COVID-19 on the TxDMV and our revenue forecast, but
12 those are some of the initial observations. I am so
13 extremely appreciative of the TxDMV team in mobilizing so
14 incredibly quickly and being agile in responding to COVID-
15 19 as we all deal with uncertainty and unknowns.

16 Agency staff has been amazing through this
17 process, and I just would be remiss if I did not thank our
18 TxDMV staff for their diligence and work and continuing to
19 serve Texans in this difficult time.

20 And with that, Mr. Chairman, I'd be happy to
21 answer any questions for the Board.

22 MR. TREVIÑO: Great. Thank you very much.

23 Does anybody have any questions?

24 (No response.)

25 MR. TREVIÑO: Please let the record show that I

1 speak for the Board and thank you all for your efforts and
2 just amazed by what you guys have accomplished in a very
3 short period of time. You guys have been very busy.

4 I would like to also like to thank Jimmy Archer
5 for executing that order by the governor, making sure that
6 it was able to happen and all staff involved in executing
7 that order very quickly, because it impacted the lives of
8 Texans and we appreciate that. So well done.

9 MS. BREWSTER: Thank you, Mr. Chairman.

10 With that, I'll go on back to item 4.A if
11 appropriate.

12 MR. TREVIÑO: Go ahead.

13 MS. BREWSTER: Thank you, sir.

14 During the last legislative session, as you
15 know, the Department of Public Safety was directed under
16 their Sunset bill to enter into a third-party contract to
17 examine and make recommendations around the management and
18 operating structure of the driver licensing program, as
19 well as opportunities and challenges of transferring the
20 driver licensing program to the Texas Department of Motor
21 Vehicles.

22 Just a reminder to those participating in the
23 meeting, the study is due to the legislature no later than
24 September 1 of this year. There was a provision in the
25 bill that if the study is not delivered to the legislature

1 by September 1 of this year that all of the driver
2 licensing functions will be transferred to TxDMV on
3 September 1 of 2021.

4 I just wanted to make sure that I provided you
5 with an update as to where we stand today with this
6 important study. DPS has indeed contracted with the
7 University of Texas, as I believe you know, in November of
8 2019, and under that contract a draft of that study is to
9 be submitted to DPS by June of this year, with a final
10 version, as I indicated earlier, being delivered to the
11 legislature no later than September 1 of this year.

12 The kickoff meeting with DPS and UT on the
13 study was held on February 6. Since then, Deputy
14 Executive Director Shelly Mellott and I have had the
15 opportunity to have a couple of additional meetings with
16 the University of Texas to discuss the information that we
17 could provide to them that would be useful. An all-day
18 meeting was scheduled for March 27 but, as we all know,
19 COVID-19 didn't allow that to proceed, so that meeting was
20 canceled.

21 I reached out to the Department of Public
22 Safety just yesterday to see if there were any updates on
23 the study. Considering the uncertainty around COVID-19,
24 UT is currently reworking their plan at this point to
25 replace some of those group meetings that they had planned

1 for March. They have delayed a few of the deliverables
2 from April 30 to May 31 to accommodate those changes, and
3 at this point there is no plan to push out the final
4 delivery of the report.

5 To date we have provided a significant amount
6 of information to UT, including items around our key
7 performance indicators, wait times, call volume, customer
8 satisfaction, as well as the transition plan that was put
9 together for establishing TxDMV.

10 The driver licensing study remains a very high
11 priority for agency staff, who will continue to provide
12 information to UT and DPS to assist in this effort. We'll
13 also continue to keep state leadership, as well as this
14 Board, in the loop as we proceed. There's a lot to do in
15 a short amount of time, but TxDMV will do all that we can
16 within our control to provide the information that UT
17 needs to be able to do a study that meets the expectations
18 of the legislature.

19 With that, Mr. Chairman, I would be happy to
20 answer any questions that Board members have.

21 MR. TREVIÑO: Okay. Thanks a lot, Whitney.

22 Any questions?

23 (No response.)

24 MS. BREWSTER: All right. Hearing none, Mr.
25 Chairman, I will go to the last item, item 4.C. You can

1 find a memo on page 7 of your board books.

2 I wanted to provide to you some positive news
3 this morning. We have hired a chief information officer
4 for the department. Butch Grote joined the TxDMV on March
5 23 of 2020. I'll tell you it had to have been the
6 strangest first day on the job that he has ever
7 experienced. He joined us when much of headquarters had
8 already moved to telecommuting, including many of his new
9 staff.

10 But I'll tell you Butch is a seasoned IT
11 professional, he has over 35 years of experience managing
12 IT staff and projects, as well as operations at multiple
13 state agencies.

14 Prior to joining the TxDMV team, he served as
15 the CIO for the Department of Agriculture, he earned a
16 bachelor's in computer science and management from St.
17 Edward's, and he serves on various information technology
18 boards. He's very well connected to other state CIOs, and
19 he's certainly hit the ground running. I look forward to
20 introducing you to him very soon when we all can come
21 together again.

22 I do want to thank very much Wendy Barron, our
23 deputy CIO, for stepping in to the CIO role during an
24 extremely critical time for our agency. She was really
25 thrown into the deep end after only being with the agency

1 for about three months. She led us through some very
2 complex times, and she's absolutely critical in steering
3 our IT team through the COVID-19 response.

4 As the chairman said earlier, our IT team has
5 been outstanding in their support. What they did really
6 helped our employees significantly reduce their exposure
7 to COVID-19, and we really owe a tremendous thank you to
8 Wendy.

9 With that, some other organizational changes I
10 just wanted to make sure that I mentioned to the Board.
11 There have been significant changes to the department that
12 have occurred over the last ten years, including
13 additional statutory responsibilities and functions, and
14 it is imperative that we work with the organizational
15 structure to make sure that we best position ourselves for
16 the future.

17 As such, I am proposing to add two additional
18 positions to the department, an additional deputy director
19 position, as well as an ombudsman position. No action is
20 necessary from Board members at this time; however,
21 certainly if there is any feedback, those comments are
22 welcome.

23 The TxDMV organizational assessment project,
24 the organizational preparation working group, considered
25 various changes to the department's structure to increase

1 its effectiveness and its efficiency. The working group
2 considered information from multiple sources, including
3 results from agency staff on areas where we can improve,
4 and this working group recommended organizational changes
5 that support the changes that I am proposing.

6 Specifically the working group suggested the
7 creation of a deputy executive director to oversee the
8 support functions of the department, as well as an
9 ombudsman position to assist all employees with conflict
10 resolution and maintaining a positive culture at the
11 agency.

12 And a brief description of these positions can
13 be found in my memo on page 7, but by making these
14 changes, greater alignment, coordination, and scalability
15 of TxDMV operations can be achieved. Also, issues can be
16 addressed in a more timely fashion and at the appropriate
17 level of the organization, and capacity for a greater
18 strategic purpose will be added.

19 The recruitment efforts for these positions can
20 begin immediately. Existing positions, as well as a
21 funding source within TxDMV's existing budget have been
22 identified, and we've also identified mechanisms for
23 bringing on new staff remotely.

24 Fortunately, just as an example, we had 11 new
25 employees start just yesterday at the agency using our new

1 remote process. The projected date for having these two
2 critical positions filled is July of 2020.

3 Thank you, Mr. Chairman. That concludes my
4 briefing, and I'd be happy to answer any questions that
5 the Board has.

6 MR. TREVIÑO: Thank you, Whitney.

7 Does the Board have any questions for the
8 director on this?

9 MR. PREWITT: Whitney, this is John Prewitt.

10 MR. TREVIÑO: John, Member Washburn had her
11 hand up first, so I think I'm going to defer to her.

12 MS. WASHBURN: Thank you. This is Member
13 Washburn.

14 This might be a rhetorical question in these
15 crazy times right now, but do you think is there any risk
16 of us losing budget to do something like this, given the
17 state of the stimulus package and the drain on the U.S.
18 and the State of Texas?

19 MS. BREWSTER: That's a great question, Member
20 Washburn, and certainly one that has been front and center
21 in my mind.

22 We started this process well before COVID-19
23 hit, but I still do believe that these positions are
24 necessary now more than ever in light of our rapidly
25 changing environment.

1 At this point we have been able to identify the
2 funding in our existing budget. The TxDMV Fund, which is
3 our funding source, at this point is still very strong;
4 however, there are still a number of unknowns in terms of
5 what state leadership at this point is going to want
6 agencies to move forward with as we move into budgeting
7 for the next biennium, and that would be the 22-23
8 biennium.

9 MS. WASHBURN: Thank you.

10 MR. TREVIÑO: Thank you for that question,
11 Member Washburn.

12 John, Member Prewitt.

13 MR. PREWITT: I would just echo Member
14 Washburn's question. I had the same line of questioning
15 for the executive director, so that question has been
16 answered. Thank you.

17 MR. TREVIÑO: Great.

18 Member Gillman.

19 MS. GILLMAN: Thank you, Mr. Chairman.

20 Whitney, I'm concerned about the ombudsman
21 position. You said it's for conflict resolution. I
22 didn't really know that we had a problem with conflict
23 resolution now. Tell me why this position is needed.

24 MS. BREWSTER: So a lot of times there are
25 opportunities for issues to be resolved between two

1 employees, and it does not necessarily need to rise to the
2 level of executive management, which sometimes happens
3 now, and if we can have an ombudsman to help facilitate
4 those types of conversations between employees or between
5 employees and management, we can deal with them at that
6 level so that we can then make sure that those things
7 progress in a timely fashion at the source.

8 This position would also be critical as our
9 ethics advisor to the department, the agency staff, as
10 well as the Board, in providing training and answering
11 questions about issues around ethics.

12 MS. GILLMAN: Thank you for your answer. I
13 will absorb that.

14 MR. TREVIÑO: Okay. So great. So Member
15 Gillman, are you okay with that answer?

16 MS. GILLMAN: Yes.

17 MR. TREVIÑO: Okay. Do you have any other
18 questions?

19 MS. GILLMAN: No, sir. Thank you.

20 MR. TREVIÑO: Great. Thank you very much.

21 Whitney, I would agree definitely with Member
22 Prewitt and Member Washburn if these positions coming on
23 board that you've already got the funds for and you've got
24 the recommendations to hire these, if they are going to
25 make you more efficient going down the road to put this

1 agency in a better position in the future to run more
2 efficiently, I think they're great hires, because to
3 Member Washburn's and Member Prewitt's point, and I think
4 to Member Gillman's as well, the budget for the state will
5 be dramatically impacted by the events going on around us

6 And I do want to compliment you and your staff
7 for already thinking about the future, because to think
8 that this agency won't be asked to also make sacrifices to
9 make sure that we continue to be a well run state and pay
10 our bills and everything else is not realistic.

11 The budget is going to be very, very severely
12 impacted by all the things that we're seeing, the rising
13 unemployment -- the unemployment claims this morning were
14 incredibly high -- oil prices, all the things that
15 everybody is well aware of.

16 So if these positions are going to help you
17 going forward and make you a better administrator and able
18 to handle the changes that will definitely need to be made
19 going forward, I think that they're good hires. But the
20 overall budget picture going forward, from everything that
21 I've heard does not look good, so bear that in mind.

22 MS. BREWSTER: Thank you, Mr. Chairman and
23 members.

24 MR. TREVIÑO: Is there any other questions for
25 Whitney, for Executive Director Brewster, or any other

1 comments?

2 (No response.)

3 MR. TREVIÑO: Great.

4 So, Butch, welcome aboard.

5 And, Wendy, thank you very much for stepping in
6 and filling the gap and doing a great job. We really
7 appreciate your efforts.

8 So with that, Executive Director Brewster, are
9 you done with your report?

10 MS. BREWSTER: Yes, sir. That concludes my
11 report. Thank you.

12 MR. TREVIÑO: Thank you.

13 So I think we're headed to the next agenda
14 item, which is regarding contested case rules under
15 Chapter 215. I will now turn it over to our general
16 counsel, Tracey Beaver.

17 MS. BEAVER: Chairman, members, Ms. Brewster,
18 good morning. For the record, I am Tracey Beaver, general
19 counsel.

20 Today I'm presenting informal rules that
21 address contested cases for posting to the department's
22 website for public comment. This informal rule is listed
23 on your agenda as item 5, and the details of these rule
24 changes may be found starting on page 10 of your board
25 book.

1 This informal working draft implements Section
2 2.06 of Senate Bill 604. This section of Senate Bill 604
3 amended the Occupations Code Section 2301.709 by adding
4 subsection (d), that requires the Board to establish
5 standards and rules and policies for reviewing contested
6 cases.

7 The Board previously adopted policies on
8 contested cases in February of 2019. These informal rules
9 reflect the department's current practice that department
10 staff will notify parties to a case at least two weeks
11 prior to the Board meeting of the parties' opportunity to
12 be present.

13 The rules specify clear expectations limiting
14 arguments and discussion to evidence in the record of the
15 contested case hearing held by the administrative law
16 judge. The rules address a prohibition on ex parte
17 communications, and the requirement that Board members may
18 use their industry expertise to help them understand the
19 case and make effective decisions; however, Board members
20 are not advocates for a particular industry.

21 Also, in this informal working draft response
22 to a petition for rulemaking submitted by Mr. Crocker
23 requesting in part that parties to a contested case be
24 given 20 minutes to present. In the past year the Board
25 has consistently given parties to contested cases 15

1 minutes to present their case, including 5 minutes for
2 rebuttal.

3 The Board has discretion whether to allow
4 parties to present their case. These rules preserve the
5 Board's discretion by not requiring a set time frame for
6 all contested case presentations. Contested cases vary in
7 complexity, and the parties to a contested case do not
8 always need the full 15 minutes to present their case.

9 The department is requesting your approval to
10 proceed with posting this informal working draft and
11 recommends a 30-day informal comment period from the date
12 of posting.

13 Members, this concludes my remarks. I'm happy
14 to answer any questions the Board has on this informal
15 rule. Thank you.

16 MR. TREVIÑO: Thank you, Tracey.

17 Does anybody have any questions for our general
18 counsel?

19 Member Graham.

20 MR. GRAHAM: Tracey, do we know who worked on
21 these informal rules? Were they just brought by Mr.
22 Crocker himself, or was there a group that worked on them?

23 MS. BEAVER: Tracey Beaver, general counsel,
24 for the record.

25 There was a group of folks at the department

1 that worked on these rules, including the Motor Vehicle
2 Division, Enforcement and some staff in the General
3 Counsel's Office reviewing Mr. Crocker's petition for
4 rulemaking, as well as the legislation that passed this
5 prior session in order to implement that legislation.

6 A working group of staff at the department got
7 together to create this informal working draft, which is
8 something that we would post on our website prior to the
9 formal rulemaking process of proposal.

10 MR. GRAHAM: Okay. Thank you.

11 MR. TREVIÑO: And General Counsel Beaver, a lot
12 of these recommendations were from Sunset. Is that
13 correct?

14 MS. BEAVER: Yes, Chairman, that's correct.
15 The Sunset Advisory Commission staff report with final
16 results did also recommend these rules be adopted, and
17 then the Senate Bill 604 is a legislation that we're
18 implementing and developing these rules that are
19 consistent with department policy.

20 MR. TREVIÑO: Right. Okay. Thank you.

21 Does anybody have any further questions for
22 General Counsel Beaver?

23 (No response.)

24 MR. TREVIÑO: All right. So hearing none, the
25 chair would entertain a motion, if anyone happens to have

1 one.

2 MR. RICHARDSON: Mr. Chair.

3 MR. TREVIÑO: Yes, Mr. Richardson.

4 MR. RICHARDSON: Can you hear me?

5 MR. TREVIÑO: Yes, I can.

6 MR. RICHARDSON: Mr. Chairman, thank you. This
7 is Member Richardson.

8 I move that the Board approve the informal
9 working draft of Chapter 215 for posting on the
10 department's website for informal public comment.

11 MR. TREVIÑO: Great. Thank you.

12 Do we have a second?

13 MR. PREWITT: Second.

14 MR. TREVIÑO: We have a motion by Member
15 Richardson and a second by Member Prewitt. Any further
16 discussion?

17 (No response.)

18 MR. TREVIÑO: Hearing none, I call for the
19 vote. All those in favor, please signify by raising your
20 hand.

21 (A show of hands.)

22 MR. TREVIÑO: All right. It looks like it is
23 unanimous.

24 Do we have any nays? All those opposed, same
25 sign.

1 (No response.)

2 MR. TREVIÑO: Tracey, I want to make sure we
3 got this right, but it looked like we got a unanimous
4 approval here. Right?

5 MS. BEAVER: Chairman, I'm not able to see all
6 the video at the same time, so you might want to do the
7 vote just verbally. I know it might take a little longer.
8 But if you're able to see the hands raised, that's fine
9 as well.

10 MR. TREVIÑO: I was able to see everyone's
11 hands, and it looked like it was unanimous, but since we
12 are cutting new trail, I want to be extra cautious because
13 these votes do matter, and so if anyone did not vote aye,
14 please call out, sing out at any time and make yourself
15 heard. It does appear that this passes unanimously.

16 So we will now hear from Mr. Kuntz and hear
17 agenda item 6.

18 Jeremiah, what a talented young man you have.
19 You should be very proud. Wow! What a great guy.

20 MR. KUNTZ: Thank you, Mr. Chairman. He was
21 very excited to do that this morning, so glad we could get
22 it done.

23 MR. TREVIÑO: You don't know how happy we are
24 that Parker saved the day, let me tell you. So well done,
25 well done.

1 Jump on in there, let's hear about agenda item
2 number 6.

3 MR. KUNTZ: Yes, sir. For the record, Jeremiah
4 Kuntz, the director of the Vehicle Titles and Registration
5 Division.

6 Board members, for your consideration is agenda
7 item number 6, which is the proposal of rules for public
8 comment to Chapter 217.144. These rules are related to
9 Senate Bill 604, which was the Sunset legislation passed
10 during the 86th Legislative Session, and this is a very
11 simple administrative rule amendment.

12 We are changing the name of the Automobile
13 Burglary and Theft Prevention Authority to the Motor
14 Vehicle Crime Prevention Authority in accordance with the
15 change that was made during the last legislative session.

16 We have rules related to the training that is required in
17 order to do VIN inspections, and there is a reference to
18 the previous name for the new Motor Vehicle Crime
19 Prevention Authority.

20 And with that, I'm more than happy to answer
21 any questions.

22 MR. TREVIÑO: Does anybody have any questions?
23 (No response.)

24 MR. TREVIÑO: My only question is for Member
25 Richardson. Any concerns?

1 MR. RICHARDSON: No, sir. I was very familiar
2 with this name change.

3 MR. TREVIÑO: Excellent. Great. Well, if
4 Member Richardson says it's okay, it's okay by me too.

5 An further discussion?

6 (No response.)

7 MR. TREVIÑO: Hearing none, the chair would
8 entertain a motion. Anybody want to take this one?

9 Member Gillman, your mic is off, your mic is
10 off, your mic is off. We can see you perfectly but we
11 can't hear a word you're saying.

12 MS. GILLMAN: Okay. Can you hear me?

13 MR. TREVIÑO: We can hear you now. There you
14 go.

15 MS. GILLMAN: Agenda item number 6. Correct?

16 MR. TREVIÑO: Yes, ma'am.

17 MS. GILLMAN: I move that the Board approve the
18 proposed amendment to Section 217.144 for publication in
19 the Texas Register for public comment.

20 MR. TREVIÑO: We have a motion by Member
21 Gillman.

22 Second?

23 MR. RICHARDSON: Second.

24 MR. TREVIÑO: Member Richardson.

25 Any further discussion?

1 (No response.)

2 MR. TREVIÑO: Hearing none, I call for the
3 vote. All in favor, please signify by raising your right
4 hand.

5 (A show of hands.)

6 MR. TREVIÑO: And Member Scott. There you go.
7 Okay. It passes unanimously.

8 Any opposed to this motion?

9 (No response.)

10 MR. TREVIÑO: All right. Mr. Kuntz, you're up
11 for number 7 as well.

12 MR. KUNTZ: Thank you. Again for the record,
13 Jeremiah Kuntz, director of the Vehicle Titles and
14 Registration Division.

15 Before you, members is agenda item number 7,
16 which are amendments to Section 217.11 of the Texas
17 Administrative Code.

18 These amendments relate to the rescission,
19 cancellation, or revocation by affidavit of a title. And
20 I'll give a little bit of background about what this is to
21 give some context.

22 Currently a motor vehicle sale that has
23 occurred in an automobile dealership can be canceled,
24 rescinded, or revoked if the deal falls through. If both
25 parties agree that they are not interested in the sale

1 going through, then a licensed motor vehicle dealer can
2 send an affidavit in to the department with both parties
3 agreeing that the sale was undone, and the department will
4 remove that record from the title system.

5 Right now the administrative rules provide 21
6 days for a dealer to submit an affidavit in order for that
7 sale to be undone, and what is happening right now is that
8 dealers will get past the 21 days, the deal will fall
9 through, both parties agree, but they've gone beyond the
10 time limit allowed for in our administrative rule, and
11 they have to go to court in order for that deal to be
12 undone.

13 So in order to reduce the burdens that the
14 department has and the courts have of having to hear these
15 cases, the department is proposing to extend the time
16 frame that a dealer has to submit this to the department
17 to 90 days from the date of initial sale to allow more
18 time for that deal to be consummated.

19 And with that, I'm more than happy to answer
20 any questions.

21 MR. TREVIÑO: Thank you, Mr. Kuntz.

22 Are there any questions for Mr. Kuntz?

23 Member Gillman.

24 MS. GILLMAN: I just wanted to say that this
25 proposal is very welcome and certainly rescissions,

1 cancellations, revocations of automobile transactions are
2 not the best, but having to go to court when both parties
3 agree it needs to be backed out is burdensome, timely and
4 expensive, and so this proposal is really welcome and
5 appreciated.

6 MR. TREVIÑO: Thank you for those comments,
7 Member Gillman. It's good to hear, very good to hear.

8 Any other comments or questions for Mr. Kuntz?

9 (No response.)

10 MR. TREVIÑO: Tracey, are there any comments
11 from the public?

12 MS. BEAVER: Tracey Beaver, general counsel,
13 for the record.

14 No comments have been received from the public.

15 MR. TREVIÑO: And, Tracey, just going forward
16 I'm just going to dispense with asking you for that, but
17 if you have any comments, please break in and just let us
18 know that there are comments. Okay?

19 MS. BEAVER: Absolutely. Thank you, Chairman.
20 I'll let you know if there's any comments received or any
21 folks asking to provide public comment. Thank you.

22 MR. TREVIÑO: Thank you very much.

23 So again, great comments, Member Gillman.

24 And so now any further discussion?

25 (No response.)

1 MR. TREVIÑO: Hearing none, I would entertain a
2 motion, the chair would entertain a motion.

3 MR. SCOTT: This is Member Scott, Mr. Chairman.

4 MR. TREVIÑO: Yes.

5 MR. SCOTT: I move the Board approve the
6 proposed amendment to Section 217.11 for publication in
7 the Texas Register for public comment.

8 MR. TREVIÑO: We have a motion by Member Scott.
9 Do we have a second?

10 MS. GILLMAN: Second.

11 MR. TREVIÑO: By Member Gillman.

12 Any further discussion?

13 (No response.)

14 MR. TREVIÑO: Hearing none, I'll call for the
15 vote. All those in favor, please signify by raising your
16 right hand.

17 (A show of hands.)

18 MR. TREVIÑO: And it appears that it passes
19 unanimately.

20 Anyone opposed, same sign.

21 (No response.)

22 MR. TREVIÑO: There does not appear to be any
23 opposition. This motion passes unanimately.

24 Okay. Mr. Kuntz, even though we'd rather hear
25 from Parker, we'll listen to you on this one too. So this

1 is number 8, and please get started.

2 MR. KUNTZ: All right. For the record,
3 Jeremiah Kuntz, director of the Vehicle Titles and
4 Registration Division.

5 Before you is agenda item number 8, again
6 proposal for public comment. These are amendments to --
7 and I'll read these off -- 217.22, 217.27, 217.32, 217.38,
8 217.41, 217.55 and new Sections 217.58 through 217.64.
9 These proposed rules are relating to legislation that
10 passed in our Sunset bill, Senate Bill 604, during the
11 86th Legislative Session relating to the issuance of
12 digital license plates in Texas.

13 And before I really get into the actual rule, I
14 know there were some questions at the last Board meeting
15 about what is a digital license plate, and so I'll do my
16 best to kind of describe what we have seen from the vendor
17 community as it relates to digital license plates.

18 If you will, a digital license plate, as the
19 name would suggest, it is a digital piece of hardware,
20 somewhat like a Kindle or an iPad that is the same size as
21 a license plate and they are affixed to the rear of the
22 vehicle. According to state law, you can have one digital
23 license plate displayed on the vehicle, and if the vehicle
24 requires two license plate, then the front license plate
25 would then be the metal license plate.

1 These license plates are digital in nature and
2 can be dynamically changed through the vendor's software.
3 So we know that there are vendors that provide this
4 technology and they have systems in the back-end that will
5 allow them to update the image that is displayed on the
6 license plate, and so most of what we see kind of from
7 this industry is the ability to display that the vehicle
8 has current registration or that the registration has
9 expired. You can actually put the word "Expired" across
10 the license plate.

11 The technology generally also has other
12 features that could potentially be options in there, such
13 as GPS tracking devices for the customer to be able to see
14 where that vehicle is traveling, so if it's on a
15 commercial vehicle, the commercial carrier could
16 potentially track their fleet of vehicles using that GPS
17 technology, and the vendor's software would then provide
18 the customer with that kind of information.

19 We've also seen that they have a potential
20 functionality to interface with toll roads through RFID
21 chips that are embedded in the systems, or potentially, if
22 there are cities that have parking meters that use RFID
23 technology, that you could potentially pay for parking
24 with the license plate.

25 But at its essence, these are digital displays

1 used in lieu of the metal license plate that is currently
2 on the vehicle. And I'll answer any questions about what
3 a digital license plate is, and then I can go into the
4 rules.

5 MR. TREVIÑO: The chair recognizes Member
6 Gillman.

7 MS. GILLMAN: Mr. Kuntz, tell me the difference
8 in cost.

9 MR. KUNTZ: So we know of some costs that we've
10 seen from vendors, just doing internet searches, it looks
11 like it ranges between 6- and \$800 for a digital license
12 plate. The customer would actually pay the license plate
13 provider for the license plate separate and apart from the
14 department, so we would not be selling the license plates
15 directly. They would obtain them from the vendor, and
16 then the vendor's software would interface with the
17 registration and titling system. So it would not be the
18 State that's purchasing the license plate; the customers
19 would purchase them, and they look like they're about 6-
20 to \$800.

21 MS. GILLMAN: Thank you.

22 Mr. Chairman, is it okay if I have a comment,
23 or am I limited to questions?

24 MR. TREVIÑO: Tracey, stop me if I'm wrong.
25 She can comment, I think. Right?

1 MS. GILLMAN: I guess I'm a little bit old
2 fashioned. It seems like metal plates are pretty
3 reliable, inexpensive, and they work 100 percent of the
4 time. I've never seen a digital license plate but it kind
5 of seems like even though I know technology is a good
6 thing and I don't want to be anti-technology, but the
7 metal plates are so reliable and easy, I'm not sure that
8 we need to do this.

9 MR. TREVIÑO: Well, I think the big thing there
10 is we'll let the market decide. And that's the great
11 thing about the State of Texas, you know, the market will
12 decide. If there's a market for them, people will buy
13 them; if they don't, then they'll just sit on the shelf.
14 So I think our job is not necessarily to opine on whether
15 this is a good one or a bad one, it's just to facilitate
16 them getting up and running.

17 MS. GILLMAN: Well, if it works.

18 MR. TREVIÑO: Right, exactly. Yes.

19 MR. KUNTZ: So, Chairman, if you'd like me to
20 try and address those, I'm more than happy to.

21 There are a couple of states that are currently
22 using these. California has digital license plates on the
23 roadway, Arizona has some on the roadway as well, and so
24 they are at least a proven technology in that they have
25 been able to be put on the roadway for use. I think

1 there's always the long-term look at these as to how they
2 hold up over time. We look at that with our metal license
3 plates as well.

4 But as the chairman has indicated, the
5 legislature has seen that this is something that they
6 would like to provide Texans with the option of, and it is
7 an option for Texans on whether or not they would like to
8 obtain them.

9 We have no requirements for any person to
10 purchase one of these license plates. They still have the
11 option of having the metal license plates, and in fact,
12 they would receive a set of metal license plates. In the
13 situation that the digital license plate fails, they would
14 have a set of license plates that they could put back on
15 their vehicle in that situation.

16 MR. TREVIÑO: Member Washburn, you're up next.

17 Member Gillman, are you done?

18 MS. GILLMAN: (Inaudible response.)

19 MR. TREVIÑO: Great.

20 Member Washburn, sorry about making you wait.

21 MS. WASHBURN: No worries.

22 Just a quick question. What's our expected
23 take rate on this, and does it affect us at all if it's a
24 high take rate or a low take rate?

25 MR. KUNTZ: So definitely we've looked at what

1 the kind of market penetration would be for folks that
2 would want to purchase these. I believe that in the state
3 of California early on they had about 1,300 of them or so
4 on the roadways. I think that's gone up slightly from
5 there.

6 We did look at that -- and one of the things
7 that's in this rule is actually an administrative fee for
8 a customer that opts to have one of these license plates
9 of \$95, and that is in order to recoup the cost of
10 programming our system to interface with the vendor's
11 system.

12 And so we were using that market penetration
13 kind of as a basis from California to try and run some of
14 our estimates. You know, we're estimating about 1,500 in
15 the beginning. It's anyone's guess at this point with a
16 new technology coming into the market, but that was our
17 best guess looking at what happened in California.

18 MS. WASHBURN: So 1,500 would cover our cost?

19 MR. KUNTZ: It would cover our cost. We
20 amortized that out, I believe we did a 15-year
21 amortization in order to spread that cost out over the
22 years, and so if we had about 1,500 and spread it out over
23 the 15 years at \$95, I believe it would cover our cost.

24 MS. WASHBURN: Okay. Thank you.

25 MR. TREVIÑO: Thank you, Member Washburn.

1 Member Bacarisse. Member Bacarisse, did you
2 have a comment? You had your hand up. No? Okay. Great.

3 All right. So any other questions for Mr.
4 Kuntz?

5 (No response.)

6 MR. TREVIÑO: Hearing none, then the chair
7 would entertain a motion. Anybody out there want to take
8 this one.

9 MR. BACARISSE: Mr. Chairman.

10 MR. TREVIÑO: Yes, Member Bacarisse.

11 MR. BACARISSE: I'd like to move that the Board
12 approve the proposed digital license plate rules in agenda
13 item number 8 for publication in the *Texas Register* for
14 public comment.

15 MR. TREVIÑO: Thank you, Member Bacarisse.

16 Do we have a second?

17 MR. RICHARDSON: Second.

18 MR. TREVIÑO: Great. Any further discussion?

19 (No response.)

20 MR. TREVIÑO: Hearing none, all those in favor,
21 please signify by raising your right hand.

22 (A show of hands.)

23 MR. TREVIÑO: And one, two, three, four, five,
24 six votes in favor. Right? If I'm counting this right,
25 six votes in favor for.

1 Any votes against?

2 (A show of hands.)

3 MR. TREVIÑO: We have two votes against, Member
4 Gillman and Member Scott. Please let the record note
5 that.

6 MR. SCOTT: No, I'm sorry. I'm not going
7 against. For some reason my video was delayed. I was
8 voting in favor; you just didn't see my hand.

9 MR. TREVIÑO: Okay. So Member Gillman is the
10 lone vote against. Is that correct? Yes. And I would
11 like to thank Member Gillman for sticking to her guns.

12 Member Graham, you voted for?

13 MR. GRAHAM: Yes.

14 MR. TREVIÑO: All right. Got it. I just
15 wanted to make sure.

16 So Member Gillman votes against it, and so it
17 is seven to one, and the motion passes.

18 So one of the things I had wanted to be
19 sensitive to in the last meeting, is everybody okay or do
20 we need a five-minute break? Is everybody good? We'll
21 just keep rolling? Great. Okay. We're going to keep
22 going, but please feel free, just give me a high sign,
23 something if we need to break there.

24 Are you counting my vote? No, I think I did
25 not count my vote. I voted in favor. Thank you, Tracey,

1 for catching that one there. So I voted in favor, so I
2 believe it's eight to one. Is that correct?

3 MS. BEAVER: Chairman, it's Tracey Beaver,
4 general counsel, for the record.

5 That's the count that I have as well.

6 MR. TREVIÑO: Thank you very much.

7 We'll now move to agenda item number 9, again
8 from Mr. Jeremiah Kuntz.

9 MR. KUNTZ: You've got me all morning here.
10 Again for the record, director of the Vehicle Titles and
11 Registration Division.

12 Before you, members, is agenda item number 9,
13 which is amendments to Section 217.182 in the Texas
14 Administrative Code. These rules are related to House
15 Bill 1548 and the issuance of a license plate to
16 off-highway vehicles.

17 If you'll remember, we did actually pass rules
18 related to off-highway vehicles very recently, and this
19 was an oversight on our behalf. We passed the fee for the
20 off-highway license plates of \$10, and one of the things
21 that we neglected to take care of in that rule was a
22 change to the processing and handling fee to make sure
23 that we included this license plate type in the list of
24 license plates that are required to pay the processing and
25 handling fee.

1 This is important for the county tax
2 assessor-collectors who issue these license plates, as
3 well as the department. The processing and handling fee
4 covers the cost of administration for those county tax
5 assessor-collector offices, as well as our department,
6 for the issuance of those license plates, and so we would
7 be seeking your consideration of these rules.

8 MR. TREVIÑO: Any further comments for Mr.
9 Kuntz? Any comments from the public?

10 (No response.)

11 MR. TREVIÑO: Hearing none, the chair would
12 entertain a motion.

13 Member Washburn.

14 MS. WASHBURN: I move that the Board approve
15 the proposed amendments to Section 217.182 for publication
16 in the Texas Register for public comment.

17 MR. TREVIÑO: Great. Thank you.

18 Do we have a second?

19 MR. RICHARDSON: I'll second.

20 MR. TREVIÑO: Member Richardson.

21 Any further discussion?

22 (No response.)

23 MR. TREVIÑO: Hearing none, I'll call for the
24 vote. All those in favor, please signify by raising your
25 right hand.

1 (A show of hands.)

2 MR. TREVIÑO: And this one looks like it passes
3 unanimately, nine votes for.

4 Okay. We're now on to agenda item 10, and
5 again Mr. Jeremiah Kuntz.

6 MR. KUNTZ: Good morning. For the record,
7 Jeremiah Kuntz, director of the Vehicle Titles and
8 Registration Division.

9 Before you is agenda item number 10. These
10 rules are for final adoption, and I believe that these are
11 a long time coming. These rules are related to the
12 assembled-vehicle bill that passed during the last
13 legislative session that this Board and the department
14 have been working a very long time to come to this point.

15 So these amendments are amendments to 217.3 and
16 217.141 through 217.143; new Subchapter L, which is
17 217.401 through 217.407. These relate to House Bill 1755,
18 the title and registration for assembled vehicles, House
19 Bill 3171, motor-driven cycles, which were in
20 Transportation Code 501.036 and 501.037 related to farm
21 trailers, farm semitrailers, trailers, semitrailers and
22 house trailers.

23 All right. That was a mouthful.

24 Members, as I said, we have worked in the
25 department for quite some time to get to this point, and

1 we've had lots of interactions with stakeholders on these
2 rules to make sure that we addressed all of the concerns
3 that have been raised by the stakeholders, legislative
4 members, and various others.

5 So I'm not going to spend a whole lot of time
6 going into great detail on this, but we did post these for
7 public comment on December 20, 2019; the comment period
8 closed on January 21, 2020. We also had a public hearing
9 at our last Board meeting where we heard from various
10 stakeholders to hear their concerns in person.

11 The department received written comments
12 requesting changes to the proposed text from -- and I'll
13 list these off -- the Assembled Vehicle Coalition of
14 Texas; Lamar County Tax Assessor-Collector; the Lubbock
15 County Tax Assessor-Collector; the Specialty Equipment
16 Marketing Association, otherwise known as SEMA; the
17 Tarrant County Regional Auto Crimes Task Force; the Tax
18 Assessor-Collectors Association of Texas; Texas Automobile
19 Dealers Association; and the Recreational Vehicle
20 Association; as well as an individual.

21 We have reviewed all of the comments received.
22 We were able to make a majority of the comments changes to
23 our rule to accommodate those comments, and also provided
24 clarification to some of the comments because we believed
25 there was just a misunderstanding on the interpretation of

1 the way the rule was written.

2 And I believe if you remember during our public
3 hearing, a member representing the Assembled Vehicle
4 Coalition of Texas stood up and said that we had had a
5 conversation and that he was good based on that
6 conversation of the interpretation that we had.

7 We also made changes for the Tax Assessor-
8 Collectors Association. They had requested that they be
9 removed from the initial application. The way that this
10 process will work is a person who has assembled a vehicle
11 will make application to the department first for review.

12 The department will review all of the
13 documentation that that individual has provided, we will
14 provide them with a response letter and a list of all of
15 the items that need to be taken to the county tax
16 assessor-collector's office for the final titling of these
17 vehicles.

18 So the tax assessor-collectors were originally
19 listed as one of the intake points for that initial
20 application. They requested to be removed from that so
21 that all the applications come in directly to the
22 department and that we provide that list in the letter
23 that the customer receives so that the tax assessor-
24 collector and the customer both have a clear understanding
25 of what information needs to be brought in for the titling

1 in their office.

2 We provided clarification. There was, I guess,
3 a misunderstanding from the Auto Crimes Task Force about
4 the use of motor numbers and requested that we issue motor
5 numbers. We do issue motor numbers when that is the
6 identifying number on a vehicle, and that generally
7 applies to very old vehicles prior to VIN numbers being
8 stamped on the body, and so that is something that we do
9 consider, and we just provided clarification on that.

10 SEMA also had similar comments to those made by
11 the Assembled Vehicle Coalition of Texas related to the
12 definitions of systems, and based on our explanation we
13 believe that we are in line with where they wanted that
14 definition to be, and so we've not made any changes to the
15 rule related to that, just because we believe that our
16 interpretation of those definitions is in alignment with
17 what they are interpreting as well.

18 With that, I am more than happy to answer any
19 questions that you may have on the rules.

20 MR. TREVIÑO: Great. Member Gillman.

21 MS. GILLMAN: Jeremiah, for my clarification,
22 is there going to be a VIN number on the body?

23 MR. KUNTZ: Yes. We will allow for a couple of
24 different numbers to serve as the VIN number. If it's a
25 kit car that's been produced by a manufacturer of kit cars

1 and they have assigned a number to that particular kit, we
2 would allow that to serve as the VIN number.

3 If they need a VIN number, then they would
4 apply to the department the way that folks do today for
5 the department to issue a VIN or reassign a VIN. And so,
6 yes, we would assign a VIN number to those vehicles that
7 would be affixed to the body of the vehicle if they do not
8 have one already.

9 Now, if they are using parts from various other
10 vehicles, they've taken a donor vehicle, if you will, we
11 would need to assign a number to those vehicles, because
12 the VIN number from that original donor vehicle should not
13 be used for the assembled vehicle.

14 MS. GILLMAN: Right. And I don't know what was
15 TADA's comment that they posted. Did you address that?

16 MR. KUNTZ: So they made a comment
17 particularly related to what a definition of a hobbyist is
18 and how the department would determine who a hobbyist is.

19 Obviously there's no regulatory scheme for a hobbyist,
20 there's not a license or an identification document that's
21 issued to somebody who's a hobbyist.

22 But the way we've addressed this is we review
23 these documents -- and that's part of the process that I
24 just laid out earlier -- the applicant would make
25 application to the department, we review those documents

1 today, and we would review them the same way we do today
2 for vehicles that fall into this category.

3 A misnomer right now is that prior to this
4 assembled vehicles could not be titled in Texas, and we
5 actually do title assembled vehicles in Texas today.
6 Applicants make those applications and we review them and
7 we make those determinations based on the information
8 provided.

9 So if we see things that are not in alignment
10 with what we would believe a hobbyist to be, if it looks
11 like it came from a manufacturer or somebody who is
12 regularly producing these vehicles, then we would take
13 action on those.

14 We would refer those either to law enforcement
15 if we believe there's a violation, or to our Enforcement
16 Division if we believe there's a violation that these
17 entities should be a licensed manufacturer.

18 MS. GILLMAN: I thought that there was a
19 rule -- and please clarify for me -- that a hobbyist was
20 someone that built a vehicle for personal use or not more
21 than -- I can't remember the number: three, five?

22 MR. KUNTZ: Five.

23 MS. GILLMAN: Five. Is that a correct
24 definition of a hobbyist, for personal use or not more
25 than five?

1 MR. KUNTZ: Yes. So between statute and this
2 administrative rule, we have interpreted a hobbyist to be
3 somebody who is building an assembled vehicle for personal
4 use and not for continuous sale, and we have defined
5 continuous sale as not more than five vehicles.

6 MS. GILLMAN: Thank you. That makes me feel
7 better that they're not a manufacturer. Thank you.

8 MR. TREVIÑO: Thank you, Member Gillman.

9 Any other questions for Mr. Kuntz?

10 (No response.)

11 MR. TREVIÑO: I would just like to add that
12 this is agenda item number 10, but it's not like agenda
13 item number 8 or number 7. The amount of labor and amount
14 of effort that has gone into trying to get different
15 stakeholders to opine on this and get it into a workable
16 document has been astounding.

17 Jeremiah, how many person hours do you think
18 we've invested in this?

19 MR. KUNTZ: We tried to do some back of the
20 napkin. It's hundreds of hours; I would say it's north of
21 500 hours that we've spent working on this.

22 MR. TREVIÑO: And that's staff but then also
23 the general public and other people who are interested in
24 this have also contributed a lot to get this to a form
25 that is workable so we can get Texans out there having fun

1 and doing what they need to do but protect our roadways
2 and the citizens of Texas, the safety of the citizens of
3 Texas. I would just like to thank you for putting in so
4 much hard work on it.

5 MR. KUNTZ: Thank you. You know, obviously I
6 did not do this alone. I would be remiss if I didn't
7 thank my staff, particularly Clint Thompson. He worked
8 tirelessly on this. He's got a staff of folks also that
9 work with him, what we refer to as our planners.

10 They've put in numerous amounts of hours to
11 work on this, as well as our General Counsel's Office.
12 Chris Harrigan was the attorney that worked with us on
13 drafting these rules, and I know he's put in lots and lots
14 of hours putting this rule package together.

15 So, yes, I'm just the person here presenting it
16 today. They did a lot of that back-end work, and I really
17 appreciate all the efforts that they've put into this.

18 MR. TREVIÑO: And thank Parker, because you
19 probably missed some Cub Scout meetings, and everybody
20 else in Cub Scouts out there who were impacted by this,
21 thank you.

22 Any further comments for Mr. Kuntz?

23 MS. GILLMAN: Good job, Mr. Kuntz. Thank you.

24 MR. TREVIÑO: High praise there, Mr. Kuntz,
25 that's high praise.

1 So any other comments?

2 (No response.)

3 MR. TREVIÑO: Hearing none, the chair would
4 entertain a motion.

5 MR. PREWITT: Mr. Chairman, this is Member
6 Prewitt. I'd like to move that the Board approve the
7 adoption of agenda item 10, amendments to Section 217.3
8 and 217.141 through 217.143 and new Subchapter L, as
9 recommended by staff.

10 MR. TREVIÑO: Great. We have a motion from
11 Member Prewitt.

12 Do we have a second?

13 MS. WASHBURN: This is Member Washburn. I'd
14 like to second.

15 MR. TREVIÑO: A second from Member Washburn.

16 Any further discussion?

17 MR. TREVIÑO: Hearing none, I call for the
18 vote. All those in favor, please signify by raising your
19 hand.

20 (A show of hands.)

21 MR. TREVIÑO: Great. It looks like we have
22 nine votes for. Motion carries.

23 Anyone against?

24 (No response.)

25 MR. TREVIÑO: None. The motion passes

1 unanimously. Thank you very much.

2 So on the advice of general counsel, we will
3 take a brief five-minute break before jumping back into
4 the specialty license plate portion of the meeting.

5 So Tracey, what is the process, just mute our
6 camera and our mic?

7 MS. BEAVER: Yes. If everyone would please
8 make sure your line is muted and your camera is off, and
9 then you can let everybody know what time we'll return.

10 MR. TREVIÑO: We'll be back in five minutes.
11 It is right now 9:17, so what is that, 9:22.

12 (Whereupon, a brief recess was taken.)

13 MR. TREVIÑO: Today is Thursday, 4/2/2020. I
14 guess we're back in session, so Tameka, could you turn the
15 video back on, or what do we need to do to make that
16 happen? I don't have an icon that allows me to turn it
17 back on.

18 MR. PREWITT: Tameka is supposed to be running
19 the meeting. Is Tameka there?

20 MS. BEAVER: This is Tracey Beaver, general
21 counsel for the record.

22 Tameka is hosting the meeting, and she is
23 getting the icon to pop back up for everybody. It looks
24 like mine just came back on. So if you could click "Start
25 my video" only if you're a Board member. Thank you.

1 MR. TREVIÑO: It seems like we're back on. So
2 again, I will repeat, for the record my name is Guillermo
3 Treviño. It is approximately 9:24 a.m. on 4/2/2020, and
4 this meeting is back in session.

5 Tracey, is there anything else I have to say to
6 make sure that we're back in session?

7 MS. BEAVER: No. That's sufficient. Thank
8 you, Chairman.

9 MR. TREVIÑO: Great. So it's been
10 approximately five minutes since we've seen or heard from
11 Mr. Kuntz, so I think it's high time that we hear from him
12 again.

13 We'll now move to briefing and action items.
14 Mr. Kuntz will brief us on agenda items 11.A, B and C
15 regarding specialty license plate design.

16 MR. KUNTZ: Great. Thank you, Mr. Chairman.
17 For the record, Jeremiah Kuntz, director of the Vehicle
18 Titles and Registration Division.

19 And before I go on, as we were on break I
20 thought about it and I thanked all my staff for that last
21 agenda item. I think it's appropriate that we also thank
22 a gentleman in the public who worked pretty tirelessly on
23 this. Farron Smith is the head of the Assembled Vehicle
24 Coalition of Texas, and he put in a lot of hours, I know,
25 on his side to get that legislation passed with his

1 membership, and so I think it would be appropriate that we
2 thank him.

3 He's actually a member on one of our advisory
4 committees, and so we continue to work with him going
5 forward on the Vehicle Titles and Registration Committee,
6 and so I think that it's appropriate to thank him and
7 everybody who worked on his side to get that through the
8 legislation.

9 MR. TREVIÑO: Hear, hear.

10 MR. KUNTZ: With that, I will present to you
11 agenda item number 11. For your consideration are three
12 specialty plate redesigns, and so these are license plates
13 that have already been on the road.

14 And in your board book, since we're doing this
15 via vide teleconference -- normally there would be a
16 poster board that has the license plates that sits there
17 so you can see them. We've tried to blow up some images
18 in your board book so that you can see the side by sides
19 of the current design and the redesign. We did post
20 these, as we do all license plates, for eView on our
21 website in February of 2020.

22 The first license plate is the Auburn
23 University license plate. We received 236 people that
24 liked the plate the new plate design, 80 people that did
25 not. None of these plates received negative comments, but

1 you kind of vote with I like it or a I don't like it. The
2 next one was Florida State. It received 121 people that
3 liked the new design, 77 that did not. And the Dallas
4 Cowboys new design, 208 people liked the new design and 55
5 didn't.

6 And so you can see all three of those license
7 plates, and I'm not sure if the Board was going to try and
8 take them all up at one time or individual, but I leave
9 those for your consideration.

10 MR. TREVIÑO: Great. Unless there's any kind
11 of comments or concerns from the Board, we'll take them
12 all up as one item. Are there any comments from Board
13 members?

14 (No response.)

15 MR. TREVIÑO: No? All right. Then the chair
16 would entertain a motion.

17 MS. McRAE: Mr. Chairman, I'll make a motion.
18 Member McRae.

19 MR. TREVIÑO: Please.

20 MS. McRAE: I would like to make a motion for
21 agenda items 11.A through C. I move that the Board
22 approve the Auburn and Florida State universities and
23 Dallas Cowboys specialty plate redesigns.

24 MR. TREVIÑO: Thank you, Member McRae.

25 Do we have a second?

1 MR. PREWITT: I second.

2 MR. TREVIÑO: Member Prewitt.

3 Any further discussion?

4 (No response.)

5 MR. TREVIÑO: Hearing none, I would call for
6 the vote. All those in favor, please signify by raising
7 your right hand.

8 (A show of hands.)

9 MR. TREVIÑO: And it looks like unanimous. Any
10 nays, same sign.

11 (No response.)

12 MR. TREVIÑO: Motion carries unanimously.
13 Thank you very much.

14 MR. KUNTZ: Thank you, Board members. With
15 that, I am signing off.

16 MR. TREVIÑO: What?

17 MR. KUNTZ: I'll still be here; you won't have
18 my video anymore.

19 MR. TREVIÑO: Great. But there will be a
20 Jeremiah Kuntz podcast available later for viewing and
21 listening, so please be aware of that.

22 We'll now move to agenda item 12.A, presented
23 by Sandra Menjivar-Suddeath.

24 Sandra, how are you?

25 MS. MENJIVAR-SUDDEATH: I'm good.

1 Good morning, Board members. For the record,
2 Sandra Menjivar Suddeath, Internal Audit director, and I'm
3 presenting item 12.A, which is on page 182 of your board
4 book.

5 Item 12.A is an action item. We are requesting
6 that the Board delegate authority to the executive
7 director for the execution of the co-source internal audit
8 services contract.

9 To give you some background information, over
10 the past year Internal Audit has been working with the
11 Information Technology Services Division to develop and
12 better align our projects and our audits to provide more
13 assurance on the information security program, which is a
14 pretty critical support area in our agency.

15 Through those conversations we identified
16 specific audits that could be done, and those are
17 documented in the cybersecurity roadmap; however, some of
18 those audits require specific tools, skill sets, or being
19 done in a specific time frame that the Internal Audit
20 staff could not potentially do, and so to address that, we
21 came up with the idea of doing a co-source contract or a
22 request for proposal.

23 Basically a co-source is bringing in a vendor
24 to do the day-to-day audit work; however, Internal Audit
25 would still oversee the audit, manage it, make sure that

1 it's meeting the audit standards that need to be met, as
2 well as making sure that it keeps up with the level of
3 expectations from the department and the Board.

4 So because the contract is for an initial term
5 of one year with three renewals and a potential estimate
6 cost of no more than \$280,000, we are requesting approval
7 from the Board to delegate the authority to the executive
8 director.

9 With that, I am open for any questions, and if
10 not, I request approval.

11 MR. TREVIÑO: Great. Thank you, Ms. Menjivar-
12 Suddeath. And you have run this by the Finance and Audit
13 Committee?

14 MS. MENJIVAR-SUDDEATH: Yes. I've had
15 conversations with the Finance and Audit Committee chair
16 about this contract, and there is money specifically in
17 cybersecurity that we will be using for this contract.

18 MR. TREVIÑO: Member Graham, any comments?

19 (No response.)

20 MR. TREVIÑO: Great. Thank you.

21 MR. PREWITT: Stacey has one.

22 MR. TREVIÑO: Okay. Member Gillman.

23 MS. GILLMAN: Thank you, Mr. Chairman.

24 I would just say Sandra does a great job, and I
25 think this is a good idea. You know, after an audit you

1 may get a great score or you might get a less than stellar
2 score, and so the follow-up after the audit can be some of
3 the most time-consuming, labor-intense items to try and
4 correct the things that you find in the audit. And so I
5 applaud Sandra in her efforts to improve her department's
6 area, and so I think that's great.

7 Thank you, Sandra.

8 MS. MENJIVAR-SUDDEATH: Thank you, Board Member
9 Gillman.

10 MR. TREVIÑO: Thank you, Member Gillman for
11 those comments, and I think you speak for everybody on the
12 Board with those comments.

13 Any other questions or comments for Ms.
14 Menjivar-Suddeath?

15 (No response.)

16 MR. TREVIÑO: Great. Hearing none, the chair
17 would entertain a motion.

18 MR. GRAHAM: Am I live now? Sorry, I was muted
19 a while ago. Can you hear me okay?

20 MR. TREVIÑO: You're live. Yes, sir, Member
21 Graham.

22 MR. GRAHAM: Thank you. I'll move to authorize
23 the agency's executive director or her designee to
24 negotiate and execute the co-source internal audit
25 contract.

1 MR. TREVIÑO: Great. We have a motion from
2 Member Graham.

3 Do we have a second?

4 MR. PREWITT: I'll second.

5 MR. TREVIÑO: Member Prewitt. Second from
6 Member Prewitt.

7 Any further discussion?

8 (No response.)

9 MR. TREVIÑO: Hearing none, I call for the
10 vote. All those in favor, please signify by raising your
11 right hand.

12 (A show of hands.)

13 MR. TREVIÑO: And it looks like we've got nine
14 votes. Motion carries unanimously.

15 All those opposed, same sign.

16 (No response.)

17 MR. TREVIÑO: I don't see any. Motion carries
18 unanimously, nine for.

19 Again, Ms. Menjivar-Suddeath, thanks a lot for
20 all the great work you're doing, and also your flexibility
21 in maintaining the safety and soundness of this
22 organization in very unusual times.

23 MS. MENJIVAR-SUDDEATH: Thank you, Chairman.

24 MR. TREVIÑO: Okay. So we will now move to
25 agenda item number 12.B, presented by Linda Flores and Mr.

1 Jimmy Archer.

2 MS. FLORES: Good morning, everyone. For the
3 record, Linda Flores, chief financial officer for the
4 Texas Department of Motor Vehicles. And co-presenting is
5 Jimmy Archer, the director of Motor Carrier Division.

6 Item 12.B is an action item requesting approval
7 from the Board to create a new capital line item in the
8 department's FY 2020 budget. It will be financed by a
9 Federal Motor Carrier Safety grant, and it provides for
10 the upgrade of the department's online registration of
11 commercial vehicles engaged in interstate operations for
12 the Texas International Registration Plan.

13 We are asking the Board to approve this new
14 capital line item since it is not reflected in the
15 department's current appropriations. The funding for the
16 project is \$1,290,000 with a state match of \$193,500,
17 which is in the agency's current budget.

18 With that, I'll turn it over to Jimmy to see if
19 he has any remarks for this project.

20 MR. ARCHER: Thank you, Linda. For the record,
21 Jimmy Archer, director of the Motor Carrier Division.

22 I would urge the Board to approve this, because
23 we've been seeking to upgrade the IRP system for quite a
24 while. The software we're on now, the system was built in
25 2005, so it's 15 years old, and it will be more customer-

1 friendly and offer more self-registration and self-service
2 for customers, and I ask the Board to approve.

3 And I'll answer any questions if you have any.

4 Thank you.

5 MR. TREVIÑO: Yes.

6 MR. BACARISSE: Jimmy, just curious. Member
7 Bacarisse here. How fast are the feds going to send the
8 money down to the state and to the department? What is
9 the timing on that federal grant coming in and how fast
10 will you be able to make the spend and acquire what we
11 need?

12 MR. ARCHER: Thank you, Mr. Bacarisse. For the
13 record, Jimmy Archer.

14 The money was granted in February of 2019; we
15 have until September 30 of 2023 to spend it all. It's
16 actually a reimbursement grant, so we'll have to spend the
17 money, and then we will submit reimbursements to the feds.

18 We anticipate we can get this system done, we're hoping,
19 between 18 to 24 months, so I think we're well within the
20 time frame.

21 MR. TREVIÑO: Great. Thank you, Member
22 Bacarisse, for that question

23 Member Graham.

24 MR. GRAHAM: I just wanted to add that it's a
25 great opportunity for us and the Motor Carrier Division,

1 and with the majority of this being funded by the
2 government, assuming there's any dollars left when this
3 thing gets over, it will be great. There's never a
4 no-brainer, but it's pretty close, and so I'll make a
5 motion if you're ready, Mr. Chairman.

6 MR. TREVIÑO: Any other questions for Mr.
7 Archer or Ms. Flores?

8 (No response.)

9 MR. TREVIÑO: Hearing none, Member Graham,
10 please take the initiative, keep on rolling with that.
11 Great.

12 MR. GRAHAM: You got it. I move that the Board
13 approve the creation of a new capital line item in the
14 fiscal year 2020 budget financed by the 2019 Innovative
15 Technology Deployment Grant awarded by the Federal Motor
16 Carrier Safety Administration to provide for the upgrade
17 of the department's online registration of commercial
18 vehicles engaged in interstate operations for the Texas
19 International Registration Plan.

20 MR. TREVIÑO: We've got a motion from Member
21 Graham.

22 Do we have a second? Member McRae.

23 MR. PREWITT: Second.

24 MS. McRAE: Second.

25 MR. TREVIÑO: Beat you to it, Member Prewitt.

1 Thank you, Member McRae.

2 Any further discussion?

3 (No response.)

4 MR. TREVIÑO: Hearing none, I would call for a
5 vote. All those in favor, please signify by raising your
6 right hand.

7 (A show of hands.)

8 MR. TREVIÑO: Motion carries unanimously.

9 Anybody against, please same sign.

10 (No response.)

11 MR. TREVIÑO: There doesn't appear to be any,
12 so the motion passes unanimously.

13 Thank you, Ms. Flores, for everything that
14 you're doing.

15 Mr. Archer, thank you very much for everything
16 you do to keep trucks on the roads of Texas and a lifeline
17 to this country. We can't thank you enough.

18 You know, they did mention the oversize and
19 overweight permits. Do you want to comment on how that's
20 evolving and fallout, rise, anything you would like to
21 comment on?

22 MR. ARCHER: Sure. We submitted some
23 information to Whitney yesterday, but basically we've seen
24 at least a 20 percent drop-off in phone calls to the
25 department for motor carrier permits and about a 10

1 percent decrease right now.

2 I don't think all of that is due to the COVID
3 crisis, I think more of it is due to the drop in the West
4 Texas intermediate crude price. So there's a little bit
5 of a slowdown in the oil patch, but our permit numbers are
6 still pretty good.

7 MR. TREVIÑO: Great. Thank you very much, Mr.
8 Archer. But it is going to be a great reminder for how
9 our economy is going to run in this crisis, so we would
10 like to get frequent updates from you on how that's all
11 evolving, if you don't mind.

12 MR. ARCHER: Happy to do that. Thank you.

13 MR. TREVIÑO: Thank you very much.

14 We now move on to agenda item 12.C, presented
15 by Linda Flores and Ann Pierce.

16 MS. FLORES: Good morning. Again for the
17 record, Linda Flores, chief financial officer for the
18 department. And with me is Ann Pierce. She is the
19 assistant director for Finance and Administrative
20 Services, and she will be co-presenting.

21 The next two leases found on page 221 of your
22 board book fall within her area of management, so Ann will
23 be here to address any questions you may have about the
24 commercial leases.

25 Item 12.C is requesting -- again, another Board

1 action item -- to approve the department to executive two
2 five-year contract renewals for both Waco and Fort Worth
3 regional service centers. The Waco lease is effective
4 from September 1, 2020 to August 31, 2025, and the Fort
5 Worth lease is effective October 1, 2020 through September
6 30, 2025.

7 We do have some pictures in your board book if
8 you'd like to take a look at the regional service centers.

9 Waco begins on page 224. The property is located at 2203
10 Austin Avenue, Waco, Texas. It's approximately 2,300
11 square feet, and the total cost for the five-year lease is
12 \$209,131.80. We house approximately six FTEs at that
13 location.

14 The Fort Worth location is almost twice the
15 size of Waco. It is located at 2425 Brammel Road, Fort
16 Worth, Texas. Its square footage is 5,685, and the five-
17 year cost for the Fort Worth lease is \$406,125. At that
18 location we house approximately 18 FTEs at the regional
19 service center.

20 The department's budget does cover both leases,
21 and we have sufficient funds to process this transaction.
22 I would like to say the Texas Facilities Commission is the
23 actual entity that engages in the commercial lease on our
24 behalf.

25 And with that, I am available to answer any

1 questions.

2 MR. TREVIÑO: Thank you, Ms. Flores.

3 Any questions for Ms. Flores or Ms. Pierce?

4 Member Prewitt.

5 MR. PREWITT: Yes, Mr. Chairman.

6 In regards to the ongoing study with the
7 driver's license with DPS, as well as the current economic
8 environment, has there been any consideration in looking
9 at what our facility needs could be if DMV does indeed
10 take on the driver's license operations, and then, as
11 well, given the current economic environment, have we
12 considered a possible shorter lease renewal, given the
13 dynamics of the market as well as the situation involving
14 the driver's license?

15 MS. FLORES: Board Member, this is Linda
16 Flores.

17 I know the UT study is taking into account
18 facilities. They have requested a lot of information
19 about our regional service centers. I also know that
20 driver's license far exceeds the number of regional
21 offices in the state compared to DMV. Normally we would
22 engage in a ten-year lease, so a five-year lease is, I
23 believe, the least amount of period that the Facilities
24 Commission will entertain.

25 MR. PREWITT: Very good. Thank you.

1 MR. TREVIÑO: Thank you, Member Prewitt.

2 Any other questions?

3 (No response.)

4 MR. TREVIÑO: Great. Hearing none and no
5 comments from the public, the chair would entertain a
6 motion for approval.

7 MR. BACARISSE: Mr. Chairman.

8 MR. TREVIÑO: Yes.

9 MR. BACARISSE: Member Bacarisse, I'd like to
10 make a motion.

11 MR. TREVIÑO: Yes.

12 MR. BACARISSE: On agenda item 12.C, I would
13 like to move to authorize the agency's executive director,
14 or her designee, to negotiate and execute, in conjunction
15 with the Texas Facilities Commission, the contract renewal
16 for the Waco Regional Service Center lease for an
17 additional five-year term, effective September 1, 2020,
18 through August 31, 2025, and the contract renewal for the
19 Fort Worth Regional Service Center lease for an additional
20 five-year term effective October 1, 2020 through September
21 30, 2025.

22 Thank you.

23 MR. TREVIÑO: Thank you, Member Bacarisse.

24 And I misspoke. The chair would entertain a
25 motion, not necessarily a motion for approval, but thank

1 you for the motion for approval.

2 Do we have a second?

3 MR. GRAHAM: (Inaudible response.)

4 MR. TREVIÑO: Member Graham, second by Member
5 Graham.

6 Any further discussion?

7 (No response.)

8 MR. TREVIÑO: Hearing none, the chair would
9 call for the vote. All those in favor, please signify by
10 raising your right hand.

11 (A show of hands.)

12 MR. TREVIÑO: And any opposed, same sign.

13 (No response.)

14 MR. TREVIÑO: It looks like the motion passes
15 unanimously. Thank you very much.

16 Next agenda item number 13 presented by Whitney
17 Brewster, executive director.

18 Whitney.

19 MS. BREWSTER: Thank you, Mr. Chairman,
20 members. Whitney Brewster, executive director again.

21 I draw your attention to page 231 of your board
22 books. We're recommending simply to delegate authority to
23 the department's executive director to perform the
24 personnel matters around the Board liaison position with
25 input from Board members as well as the department's

1 executive team.

2 And this really is an effort to be more
3 efficient. If this function is delegated to me to perform
4 with your input, we can move forward with doing that. If
5 the Board performs this function, all discussions,
6 deliberations or action must comply with the Texas Open
7 Meetings Act.

8 So in the situation where we are with COVID-19,
9 we thought it would be prudent to bring this recommendation
10 to you for your consideration so that we can move forward
11 efficiently with performing the evaluation and any
12 compensation associated with that evaluation for the Board
13 liaison position.

14 In our upcoming Board meetings we will propose
15 another process that doesn't delegate the authority to me
16 for all of our direct reports to the Board, but for right
17 now, with the situation, again, being kind of complex,
18 what is being recommended is to delegate that to the
19 executive director with input from the Board to perform
20 those functions.

21 And with that, Mr. Chairman, I'd be happy to
22 answer any questions that the Board has.

23 MR. TREVIÑO: Thank you, Executive Director
24 Brewster.

25 Any other comments or questions for Ms.

1 Brewster?

2 Member Graham.

3 MR. GRAHAM: So is this temporary or permanent?

4 MS. BREWSTER: Member Graham, I talked about
5 the evaluations coming up, for instance, Sandra as well as
6 mine, we'll be coming forward with a different process for
7 that, because the Internal Audit position and the
8 executive director position are statutorily mentioned as
9 direct reports to the Board, the Board liaison is not, and
10 that is why for right now for these circumstances we are
11 making this particular recommendation; however, a
12 different recommendation will be coming forward in the
13 near future on all Board direct reports.

14 MR. GRAHAM: So permanent. Just making sure I
15 understand correctly.

16 MS. BREWSTER: This is not a permanent
17 proposal, sir. This would be a temporary proposal so we
18 can go ahead and move forward with the evaluation of the
19 Board liaison. We will be coming forward with a new
20 process perhaps in the next Board meeting, if the chairman
21 is agreeable, to bring forward a different process.

22 MR. GRAHAM: Thank you.

23 MR. TREVIÑO: Thanks for the question, Member
24 Graham, it's a great one.

25 And I would like to compliment Executive

1 Director Brewster for being flexible and trying to find
2 ways to make sure that the day-to-day operations of this
3 enterprise continue.

4 And if anyone has any concerns about any of
5 these temporary measures that we're putting in place,
6 please feel free to either speak up in this meeting or
7 contact Executive Director Brewster or myself, because we
8 definitely do not want to change any of the governance
9 structure, we don't want to change any of the oversight
10 that we need going forward, but we have to continue to
11 operate and more of this will be coming down the line
12 here, unless by some miracle it ends tomorrow.

13 So with that, any other comments for Ms.
14 Brewster, questions?

15 (No response.)

16 MR. TREVIÑO: Great. Hearing none, the chair
17 would entertain a motion.

18 MS. McRAE: Chairman, I'd like to make the
19 motion. Member McRae.

20 I move that the Board appoint the department's
21 executive director to perform all personnel matters
22 regarding the Board liaison position.

23 MR. TREVIÑO: Thank you, Member McRae.

24 Is there a second? Member Washburn.

25 MS. WASHBURN: Member Washburn. I second.

1 MR. TREVIÑO: Thank you.

2 Motion by Member McRae and a second by Member
3 Washburn.

4 Any further discussion?

5 (No response.)

6 MR. TREVIÑO: Hearing none, I would call for
7 the vote. All those in favor, please signify by raising
8 your right hand.

9 (A show of hands.)

10 MR. TREVIÑO: And all those opposed, same sign.

11 (No response.)

12 MR. TREVIÑO: It looks like nine to zero,
13 motion carries unanimously.

14 So we have no executive session, that's agenda
15 item number 14.

16 MS. BEAVER: Chairman.

17 MR. TREVIÑO: Tracey Beaver.

18 MS. BEAVER: It's Tracey Beaver, general
19 counsel, for the record.

20 I have noted that Member Graham made a motion
21 for agenda item 12.B regarding the capital spending
22 authority for the FMSCA grant.

23 I apologize, but out of an abundance of
24 caution, I did not record the vote for that particular
25 motion. Would you mind taking up agenda item 12.B

1 regarding that grant with the motion again so we can
2 record the vote, unless you have the vote recorded.

3 MR. TREVIÑO: I do, but out of an abundance of
4 caution I think we should take it again. These are
5 unusual times; we don't want any concerns, especially if
6 they're raised by general counsel.

7 So we'll go back to agenda item number 12.B,
8 presented by Linda Flores and Jimmy Archer. I believe
9 Member Graham made a motion. Do you still have that
10 motion and are you wanting to make that again?

11 MR. GRAHAM: Yes, I will, I'll be glad to make
12 that motion again.

13 I move that the Board approve the creation of a
14 new capital line item in the fiscal year 2020 budget,
15 financed by the Innovative Technology Deployment Grant
16 awarded by the Federal Motor Carrier Safety
17 Administration, to provide for the upgrade of the
18 department's online registration of commercial vehicles
19 engaged in interstate operations through the Texas
20 International Registration Plan.

21 MR. TREVIÑO: Thank you, Member Graham.

22 And I did not record who seconded, though.

23 MS. McRAE: Member McRae.

24 MR. TREVIÑO: Member McRae, thank you very
25 much.

1 And with that, I will call for the vote. All
2 those in favor, please signify by raising your right hand.

3 (A show of hands.)

4 MR. TREVIÑO: And any opposed, same sign.

5 (No response.)

6 MR. TREVIÑO: It looks like the motion carries
7 unanimously, that's nine-zero. Motion by Member Graham,
8 second by Member McRae, and a unanimous vote.

9 General Counsel Beaver, have you got all that?

10 MS. BREWSTER: Tracey Beaver, general counsel,
11 for the record. Yes. Thank you so much.

12 MR. TREVIÑO: Thank you for pointing that out.
13 This is a difficult process to manage.

14 So we're moving on now. No executive session,
15 that takes care of several items there.

16 General Counsel Beaver, do we have any comments
17 from the public?

18 MS. BEAVER: Tracey Beaver, general counsel,
19 for the record.

20 I'm doing a quick check, and we have not
21 received any requests to provide public comment through
22 the GCO email box; we do not have any folks requesting to
23 provide public comment today.

24 MR. TREVIÑO: Well, thank you very much,
25 General Counsel Beaver.

1 I will just add that I would like to recognize
2 again Parker Kuntz, and the reason that it's important, I
3 think, in doing all the stuff, in conducting the affairs
4 of the state and the business of the state, it's very easy
5 to skip the touchstones that make us a republic and remind
6 us of who we are as a country and the values that we hold,
7 and we're fighting for every single day through our
8 actions and everything else.

9 So the fact that we were able to do the Pledge
10 of Allegiance to our country and to our state, I know
11 they're relatively small things but they do remind us,
12 they're visible reminders, we have to get up and we have
13 to pledge allegiance to our country, to all those people
14 all over the country that we don't touch or see -- we're
15 not touching anybody anymore -- but that we don't see on a
16 daily basis but their lives are in our hands and we, at
17 our own peril, forget that.

18 And so I would, again, like to thank Jeremiah
19 and his son Parker for leading us in that and reminding us
20 through trying times that the things that we do every
21 single day -- that we were doing every single day, that
22 were part of our routine and everything else have real
23 meaning, and thanks again for that, Jeremiah and Parker.

24 MR. KUNTZ: Absolutely. We were so glad to do
25 it this morning. Glad we could make it happen.

1 MR. TREVIÑO: Thank you, thank you.

2 So with that, I guess we don't have any
3 comments from the public, so that leads us to agenda item
4 number 17, always a crowd favorite, so the chair would
5 entertain a motion for adjournment.

6 Before that, General Counsel Beaver, do we have
7 any other issues before this Board?

8 MS. BEAVER: Tracey Beaver, general counsel,
9 for the record.

10 No, Chairman. That concludes the agenda items
11 for today.

12 MR. TREVIÑO: Great. Thank you very much.

13 So with that, the chair would entertain a
14 motion for adjournment. Nobody is jumping up?

15 MS. WASHBURN: I move to adjourn.

16 MR. TREVIÑO: Member Washburn, thank you for
17 jumping in there and taking the initiative.

18 Second?

19 MS. GILLMAN: Second.

20 MR. TREVIÑO: Member Gillman, stepping up.
21 Thank you.

22 So all those in favor?

23 (A show of hands.)

24 MR. TREVIÑO: This meeting stands adjourned.
25 Thank you very much for everybody showing up and doing

1 such a great job. It's a pleasure to serve with you and
2 an honor to serve with you.

3 (Whereupon, at 9:55 a.m., the meeting was
4 adjourned.)

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MEETING OF: TxDMV Board
LOCATION: Austin, Texas
DATE: April 2, 2020

I do hereby certify that the foregoing pages, numbers 1 through 84, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Latrice Porter before the Texas Department of Motor Vehicles.

DATE: April 6, 2020

/s/ Nancy H. King
(Transcriber)

On the Record Reporting
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