

TEXAS DEPARTMENT OF MOTOR VEHICLES

AUTO BURGLARY AND THEFT PREVENTION AUTHORITY

BOARD OF DIRECTORS MEETING

9:00 a.m.
Thursday,
January 10, 2019

Lone Star Room
Building 1
4000 Jackson Avenue
Austin, Texas

BOARD MEMBERS:

Tommy Hansen, Chair
Shay Gause
Ashley Hunter
Linda Kinney
Armin Mizani
Wynn Reynolds
Mike Rodriguez

STAFF:

Bryan Wilson, Director
David Richards, General Counsel

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P R O C E E D I N G S

1
2 MR. HANSEN: Good morning, everybody. Good
3 morning.

4 AUDIENCE: Good morning.

5 MR. HANSEN: All right. I know it's a long
6 day.

7 My name is Tommy Hansen. I'm pleased to open
8 the board meeting for the Automobile Burglary and Theft
9 Prevention Authority. It is 9:00 a.m. straight up.

10 I'm now calling the board meeting for January
11 10 to order. I want to note for the record that the
12 public notice of this meeting, containing all items on the
13 agenda, was timely filed with the Office of the Secretary
14 of State on January 2, 2019.

15 Before we begin today's meeting -- and I'm
16 going to make sure mine is off -- everybody please mute
17 your phones in the silent mode.

18 If you wish to address the Board at today's
19 meeting, please complete a speaker's card at the
20 registration tables up front. To comment on an agenda
21 item you'll need to fill out the yellow ones, and if you
22 want to do public comment, fill out the other forms that
23 are up there.

24 I'd like to first do roll call. Member Hunter?

25 MS. HUNTER: Present.

1 MR. HANSEN: Reynolds?

2 (No response.)

3 MR. HANSEN: Mr. Gause?

4 MR. GAUSE: Present.

5 MR. HANSEN: Rodriguez?

6 MR. RODRIGUEZ: Present.

7 MR. HANSEN: Mizani?

8 MR. MIZANI: Present.

9 MR. HANSEN: And Ms. Kinney?

10 MS. KINNEY: Present.

11 MR. HANSEN: Let the record reflect that I,
12 Tommy Hansen, am here as well. Also let the record
13 reflect that Member Reynolds is absent today.

14 I'd like to start off and do the next thing is
15 to do some introductions here. We have two new members of
16 the Board, and of course, as you all know, I was given the
17 responsibility or duties -- we'll see if that's still what
18 it is after we're done today -- as Board chairman.

19 I'd like to introduce Mr. Gause, our insurance
20 representative. Shay brings a lot to the table for us.
21 He is with SIU, with USAA Insurance and also has a law
22 enforcement background, which is good.

23 Do you have anything you'd like to add to that?

24 MR. GAUSE: I appreciate the opportunity.

25 MR. HANSEN: Okay. And then our next one is

1 Mr. Rodriguez new to the Board, Mike. Most of y'all know
2 Mike. Mike has been involved with the Laredo Task Force
3 and with our program for many, many years.

4 And I think both of these guys are going to be
5 tremendous, tremendous assets to our goals and objectives
6 of what we plan to do for the future of this organization.

7 MR. HANSEN: All right. Moving along here.

8 MR. RODRIGUEZ: Chairman.

9 MR. HANSEN: Yes, sir, Mike. I'm sorry.

10 MR. RODRIGUEZ: Chairman Hansen and members of
11 the Board, thank you. I'm honored for the trust and
12 confidence that the governor has invested in me by
13 appointing me to this Board.

14 And to the task forces, all of you, I'm
15 committed to each and every one without reservation and I
16 will work tirelessly to champion the cause of this
17 authority with its mission and to strengthen and secure
18 its future.

19 Now, I'm from Laredo, as most of you already
20 know. Some of the problems that we have with auto theft
21 in Laredo reflect a lot with the problems that El Paso,
22 Eagle Pass and the Valley has, but I'm also aware and I'm
23 also concerned of the issues in North Texas, that Dallas
24 and Houston and San Antonio are having, and I'm going to
25 take all of that into consideration when all of you apply

1 for new grants and for new monies. So I'm very aware of
2 the issues that we all have and I'm here to help you and
3 I'm going to promise you that I'm going to meet with each
4 and every one of you to see what the needs are and where
5 we can make it better and become a better team.

6 Thank you.

7 MR. HANSEN: Before we do the next thing, I'd
8 like to comment. Normally we'll have public comment at
9 the beginning but it seems like sometimes conversation
10 will come up throughout the meeting that will generate
11 someone wanting to make public comment so we have moved it
12 to later in the agenda, however, if there is someone here
13 that has something urgent and has to leave, let me know,
14 but we have nothing else for public comment. But we have
15 moved it to the end so as the meeting progresses and
16 there's something that you want to bring up that you think
17 needs to be discussed at a later date or for the
18 committees in public comment, please fill out a form and
19 we'll handle that near the end of the agenda.

20 I'd like to seek approval of the transcript as
21 the minutes of the meeting from May 23, 2018.

22 MS. KINNEY: Mr. Chairman, this is Linda
23 Kinney, and I'd like to make a motion to adopt the
24 transcript as minutes from the May 23, 2018 board meeting

25 MR. HANSEN: Do we have a second?

1 MS. HUNTER: I second the motion.

2 MR. HANSEN: Ms. Hunter seconds.

3 A motion has been made, seconded to adopt the
4 transcript as the minutes of May 23, 2018. Is there any
5 discussion further on that?

6 (No response.)

7 MR. HANSEN: Hearing none, we'll call for a
8 vote. All in favor?

9 (A chorus of ayes.)

10 MR. HANSEN: Any opposed?

11 (No response.)

12 MR. HANSEN: Motion passes adopting the
13 transcript as the minutes. Okay. That's done.

14 Further comments and recognition from the
15 Board. Do any of the Board members, Ms. Hunter, do you
16 have anything you want to bring up to the group, you'd
17 like to address?

18 MS. HUNTER: No. Do I?

19 MR. HANSEN: No. I just wondered if you have
20 any comments you'd like to make.

21 MS. HUNTER: No. I'm fine.

22 MR. HANSEN: Linda?

23 MS. KINNEY: I'm fine. Thank you.

24 MR. HANSEN: You're fine.

25 Armin?

1 MR. MIZANI: I'm fine. Thank you.

2 MR. HANSEN: Okay. Thank you.

3 I just have a comment I'd like to make as your
4 new chair. Some of you already read this, I sent some of
5 you an email, but this kind of goes in line with what Mike
6 said.

7 I want to start by giving thanks to all of you
8 for your support. As you know, I've been blessed by
9 Governor Abbott to be appointed as Board chair. These are
10 big shoes to fill as Chief Garcia has been a supporter of
11 ABTPA for decades. Since I've been involved with ABTPA,
12 starting as a dream in 1989, the opportunity to work with
13 each of you and take this organization into the future is
14 truly an honor for me.

15 The governor also presented us with two new
16 Board members, Mike Rodriguez as law enforcement and Shay
17 Gause as new insurance rep. Both bring a lot to the table
18 in dedication and experience. Most of you have worked
19 with Mike and his task force and their accomplishments
20 speak loudly about his dedication to his program. Also,
21 Shay has tremendous insurance, SIU experience and a law
22 enforcement background and came highly recommended to us
23 by the National Insurance Crime Bureau.

24 The new year and the new legislative session
25 will bring many new challenges, as always, however, the

1 current recommendation from the LBB and the report from
2 the Sunset Commission concerning ABTPA were both extremely
3 favorable for us. However, we'll still need to work as a
4 team and move forward to enhance our program for law
5 enforcement and the citizens of Texas. As stated, we are
6 a team, everyone in this room. What has made this program
7 so successful is that from Beaumont to El Paso and from
8 Amarillo to Brownsville we have all worked as one.

9 I'm asking that if you have any questions,
10 comments, compliments or complaints about anything on the
11 agenda, please sign up and speak on these agenda items.
12 If you have some ideas on other matters, please sign up
13 for public comment. If we don't communicate during these
14 meetings, it's hard for us to move forward as the team
15 that we are. I want to create working committees with
16 your involvement to help us all work together. We also
17 have a great Board that is wanting to move forward and the
18 ABTPA staff are great, and again, I'd like to say we are a
19 team. And that's my comment where that's concerned.

20 The next thing I'd like to discuss, the
21 governor also issued a recognition for Watch Your Car
22 Month to encourage all Texans to take necessary steps and
23 precautions to reduce motor vehicle burglaries and thefts
24 throughout Texas. The proclamation was an important tool
25 in generating local recognition for the work of the ABTPA.

1 Also, during today's meeting we will recognize
2 the service of two Board members, as well as the
3 retirement of at least two officers who have served the
4 task forces around the state. We will also recognize
5 various task force personnel who made it possible to
6 provide investigator training throughout the year.

7 The Board will also consider items related to
8 the administration of the ABTPA, including matters related
9 to collections from insurance companies, budget matters
10 from 2018 and beyond, and the issuance and request for
11 applications for future grants. We're going to discuss
12 that at length today.

13 Beyond all of this, we will discuss the 86th
14 Legislative Session which began this week, actually. We
15 will discuss conclusions of the Sunset review process and
16 the impact it may have on us during the upcoming session.

17 On our former Board members, we'd like to
18 recognize Chief Carlos Garcia, who is not here today, as
19 well as Mr. Ken Ross, an insurance representative on the
20 Board. Is Ken here today? No.

21 We're going to get with them both and we have
22 some presentations and we're going to handle them directly
23 at a later date.

24 Ken served with us for a number of years, but
25 Carlos was involved in this program pretty much from the

1 very beginning, as I was, way back when he was with
2 Brownsville Police Department for many years, and we want
3 to give tremendous kudos to him and his work. And if you
4 guys down south see him, be sure and give him a big thank
5 you.

6 Congratulations on some retirements. From
7 Dallas County North Texas Task Force, Stephen Smith. Is
8 Stephen here today? No.

9 And John Bailey with Sheriff's Combined Task
10 Force. I know John is here somewhere. John, raise your
11 hand. All right. If you don't know John, you need to.

12 And then some commendations, congratulations,
13 just some notes that were passed on to us as far as those
14 that helped tremendously with some of the training that
15 was done this year. As you know, that was passed on to us
16 as a new responsibility and it was taken on tremendously.

17 In San Marcos we've got Robert Curbelo, Ryan
18 MyCue, Brian Johns, Michael Andaloro, Carl Olavesen,
19 Herman Adair, Joe Joines and Ryan Williams. We're going
20 to get some certificates for them. Appreciate what they
21 have done.

22 Also, we're going to recognize the companies
23 that supported us in some of this training: Copart in San
24 Antonio, Copart in New Braunfels, Ritchie Brothers
25 Auctioneers in Lake Worth, and of course, Archie and Geoff

1 with NICB, and the Texas Department of Public Safety, and
2 we have certificates for all of those.

3 So if you're part of any of these groups that
4 we just mentioned, after the meeting if you'll come up so
5 we can get you a certificate so you can pass it on to your
6 guys.

7 Moving on, Mr. Wilson.

8 MR. WILSON: Well, actually this is one you can
9 do on your own, but I can lay it out if you'd like.

10 MR. HANSEN: That's fine.

11 MR. WILSON: This is Bryan Wilson for the
12 record.

13 The next issue before the Board is actually a
14 chair prerogative, I don't think it requires an action
15 item or a vote, but I wanted to lay out, been able to
16 reach out to most of you but I lost a day this week so I
17 didn't get all my phone calls made. The Board in the
18 last, I don't know, year and a half has had standing
19 committees and they have specific charges to those
20 committees. And I did call the new members to verify that
21 they would serve in the role on this committee, but
22 otherwise, unless there's an objection for any one of the
23 members, we'll proceed with the chair to appoint these
24 committees as well as appoint the chair for each
25 committee.

1 And just for the record, there's three
2 committees. There's one committee called the Grants,
3 Budget and Reports Committee, and the name speaks for
4 itself as to what it does. The Insurance Collections and
5 Refund Committee which, again, the proposed chair is Armin
6 Mizani, Ashley Hunter and Shay Gause on that committee to
7 deal with collections and refunds. And then the Education
8 and Legislative Committee with proposed Linda Kinney as
9 chair, and Shay Gause and Mike Rodriguez to assist in that
10 capacity. And going back real quick to the Grants, Budget
11 and Reports Committee, that would be Mike Rodriguez chair,
12 and then Wynn Reynolds and Ashley Hunter as the members.

13 MR. HANSEN: On that one, it appears that
14 there's probably going to be a change with Mr. Reynolds.
15 We met with DPS yesterday. We can't officially release
16 anything because it's not been finalized, but there's
17 probably going to be a new member from DPS coming on, and
18 if it's who was discussed yesterday, it's wonderful for
19 everybody involved. So we'll announce that as soon as the
20 documents are signed with DPS and we can move forward with
21 that.

22 Are all the members okay with serving on these
23 capacities on these boards? Everybody good?

24 (General agreement from Board members.)

25 MR. HANSEN: All right. Fantastic.

1 With no objections to that, we're going to move
2 forward, but we're going to accept as recommended on page
3 21 of 22 to accept these positions, the Board members
4 assigned to these positions.

5 Moving on, agenda item number 3. This is
6 discuss and consider FY 2018 post-award grant adjustments
7 for the City of Houston and the City of Corpus Christi.

8 MR. WILSON: I'll go ahead and lay it out, Mr.
9 Chairman.

10 So this is an action necessary for the Board to
11 consider. Typically the grant RFA and the grant rules
12 control what activity takes place within the grants. We
13 follow those rules, as well as some state law and state
14 guidance, published rules by the Comptroller.

15 One of the things that the director typically
16 does throughout the year, and we always report back to the
17 Board, is what's called grant adjustments, and you'll see
18 it when we get to the report later, in the reporting
19 section we'll tell you these are all the grant adjustments
20 we did, whether they were budget or program or whatever.
21 So a few weeks ago, I think it was Montgomery County, for
22 instance, as a program adjustment they added Angelina
23 County to their coverage network. Well, that's not in the
24 grant statement, it doesn't have a major impact on the
25 operation of the program but because the grant is a

1 contract, we have to acknowledge that and grant the grant
2 adjustment. They request it and then we provide it, so
3 that's just a simple example of a program adjustment.

4 Other things is somebody will leave, they'll
5 have what we call lapsed salary where somebody left and it
6 takes a while to get them replaced, so now they have
7 money, they might want to buy a truck or they need to buy
8 LPRs or they need to buy supplies with that money. It's
9 still for the operation of the program, nobody can do
10 anything other than what the program is.

11 So in this case, one of the terms that the
12 director has is to only be able to grant budget
13 adjustments within the term. If it's outside the term,
14 then there's no authorization for the director under state
15 law to grant that exception. In this case we have a
16 request from the City of Houston for their grant. They
17 had a lapsed salary of roughly \$30,000. They spent it for
18 what we would consider reasonable and allowable. In other
19 words, if this grant adjustment request had come in during
20 the term of the grant, I would have granted it, but
21 because it involved overtime and the Board has set rules
22 around overtime as a highly restrictive issue -- overtime
23 and equipment are the two controlled features of our grant
24 that the Board has more say than most of the other
25 categories.

1 So in this case the City of Houston spent some
2 funds that were above and beyond what they were authorized
3 to do. In the grant adjustment on page 26 their stated
4 reason is that they misunderstood -- we have what's called
5 a 5 percent flexibility rule and they thought it applied
6 to overtime and it didn't. And so based on that
7 explanation and their understanding that going forward
8 that they full understand that overtime is a controlled
9 category within the grant, that they would go ahead and
10 request that we approve the grant adjustment and that
11 would authorize the ABTPA director to make the final
12 payment. The final payment is on page 25, the budget
13 adjustment that you're approving is on page 26.

14 So are there any questions?

15 MR. HANSEN: Before we move forward, we have
16 Naquin and Capt. Bennett from Houston PD signed up. Do
17 y'all want to come up and anything you want to say on
18 this?

19 CAPT. BENNETT: Good morning, Bryan Bennett,
20 Houston PD, and Lt. Kye Naquin, Houston Police Department.

21 MR. HANSEN: Yes, sir.

22 CAPT. BENNETT: So recently I took over the
23 grants for the Houston Police Department. Once I took
24 over, it was brought to my attention about this grant
25 adjustment, so basically I made contact, I read everything

1 that was written, and made contact with the previous
2 lieutenant. And just as Mr. Wilson stated, the lieutenant
3 said that we had some extra money because the previous
4 lieutenant went to the FBI Academy and another sergeant
5 went to Puerto Rico after the hurricane, they had some
6 excess salary money, and so they were under the impression
7 that it was under the 5 percent rule and so it was brought
8 to their attention that it wasn't, and so this grant
9 adjustment was requested. And going forward, we realize
10 that it has to be done in advance for overtime.

11 MR. HANSEN: Okay. Any other comment?

12 (No response.)

13 MR. HANSEN: Thank you very much.

14 MR. MIZANI: Question for Bryan. Is this the
15 first time the City of Houston has made this?

16 MR. WILSON: Things happen over years but they
17 haven't had this kind of exception or problem in quite
18 some time or beyond my memory of two or three years.

19 MR. MIZANI: All right.

20 MR. HANSEN: And in conjunction with that, I
21 spoke with Lieutenant Hardin about this, he called me and
22 we discussed it, and you know, along with your
23 conversation, by no means is Houston PD any kind of a
24 problem child for us on any matter, so it happened.

25 MR. MIZANI: I'm from Dallas so I don't know

1 about that.

2 MR. WILSON: Well said, sir.

3 MR. HANSEN: All righty.

4 (General laughter.)

5 MR. GAUSE: Mr. Wilson, when would it typically
6 have been filed to be within your authority?

7 MR. WILSON: Before August 31, even until
8 midnight August 31. I mean, if at any point we would have
9 realized that they were allocating those funds, we would
10 have said, Hey, do a budget adjustment. I knew that the
11 commander -- matter of fact, I was the one who said, Oh,
12 you're leaving for the FBI Academy, remember you have to
13 go off the grant. So in some essence, I created at least
14 part of the money that they had available but it didn't
15 occur to me come back later to say -- because, again,
16 normally they have the 5 percent rule so if they would
17 have bought supplies, printer ink cartridges, paperclips,
18 if they would have bought that, they would have never
19 asked me, they would never communicated with me.

20 It's just equipment and overtime, by rule and
21 pretty much by state law -- I mean, there's some other
22 principles in the grant management principles that set --
23 controlled assets is what we call equipment at the state
24 level and then overtime is by board rule. There's nothing
25 really that would cause that other than our agency's own

1 adopted rules about overtime control.

2 Just a quick primer, I don't want to take too
3 much on this issue, but before, I believe, May or June of
4 this year, of this last year, overtime was zero, you could
5 move no money into overtime. I submitted and the Board
6 approved a request to give the commanders a \$1,000
7 flexibility. That's why some of the math doesn't
8 perfectly work out on this thing because you're like, wait
9 a minute, they spent 31-, what do you mean they're 28- or
10 whatever. Well, that's because of the \$1,000 exclusion.

11 So it's something that the Board may take up,
12 you know, a broader exclusion for overtime, because as
13 Naquin and Capt. Bennett and I talked about overtime, a
14 lot of times you're in an undercover operation and it's
15 not always something you can plan out ahead. Generally
16 you should plan some overtime when you have those
17 situations.

18 But I'll stop there and we recommend that -- I
19 would have approved this had it been within my time frame.

20 CAPT. BENNETT: Also, too, just so you'll know,
21 of that 31,000, I had one of my sergeants go back and look
22 at what the results were for the amount of money. So we
23 recovered 40 vehicles, six guns, 31 grams of cocaine, nine
24 suspects placed in jail on outstanding warrants and 17 new
25 felony charges were filed with that money.

1 MR. HANSEN: Pretty good bang for the buck.

2 CAPT. BENNETT: You can give us more.

3 (General laughter.)

4 MR. HANSEN: Working on it, we're working on
5 it.

6 MR. WILSON: That's what I call icing on the
7 cake.

8 MR. HANSEN: And also, welcome aboard.

9 CAPT. BENNETT: Thank you.

10 MR. HANSEN: Houston PD has always been a major
11 part of this group from day one, and welcome aboard.

12 Anything else? Other comments?

13 MR. RODRIGUEZ: Just real quick. This was for
14 one quarter or for the entire -- was it just for this
15 operation, the overtime?

16 CAPT. BENNETT: The money was spent between May
17 30 and August 3.

18 MR. WILSON: For the overtime.

19 CAPT. BENNETT: The overtime money. Right.

20 MS. KINNEY: Mr. Chairman, after hearing all of
21 that discussion, I'd like to make a motion to authorize
22 the final payment to the City of Houston by approving a
23 grant adjustment for their overtime budget.

24 MR. RODRIGUEZ: I second it.

25 MR. HANSEN: We have a second, Mike.

1 A motion has been made and seconded to approve
2 the grant adjustment for final payment to the City of
3 Houston. Is there any further discussion?

4 (No response.)

5 MR. HANSEN: Hearing none, we'll call for a
6 vote. All in favor?

7 (A chorus of ayes.)

8 MR. HANSEN: Any opposed?

9 (No response.)

10 MR. HANSEN: Motion passes, and the grant
11 adjustment will be taken care of and you'll get your
12 money, guys.

13 CAPT. BENNETT: Thank you.

14 MR. HANSEN: Thank you, very, very much.

15 Mr. Wilson, is it my understanding the City of
16 Corpus Christi matter was resolved?

17 MR. WILSON: Yes, Chairman. We had a
18 discussion on that that the net effect of me denying or
19 approving the grant adjustment would have meant zero
20 difference in the amount of payment, so I denied the
21 request and we authorized payment to Corpus Christi for
22 that matter.

23 MR. HANSEN: Thank you.

24 MR. WILSON: They got all the award that they
25 requested.

1 MR. HANSEN: Good. That's what counts.

2 Item number 4, discussion and consider
3 insurance refunds.

4 MR. WILSON: I've asked Dan Price, the grant
5 auditor, to lay this out for the Board, with your
6 permission, sir. Is that okay?

7 MR. HANSEN: Yes.

8 MR. PRICE: For the record, this is Dan Price,
9 ABTPA grant auditor.

10 We'll have two insurance refund requests to
11 consider today, they will be considered separately. The
12 first one is Elephant Insurance. Elephant submitted a
13 request on July 23, 2018 in the amount of \$35,386. In
14 their explanation for the refund they indicated that the
15 payment was a duplicate payment, and in fact, this is
16 going to come up later in the board meeting, but the
17 majority of our requests are from organizations of
18 insurance companies where there may be various
19 subsidiaries or related companies and one of the parent
20 companies is making the payment and the company itself
21 that may have either underwritten or issued the policy is
22 making the payment. So in this instance Elephant
23 Insurance felt that they had made the payment for Red
24 Point and that Red Point was also making the same payment,
25 so they were requesting a refund.

1 We reached out to the Comptroller's Office, who
2 keeps the records and actually gets the remittances from
3 the companies for ABTPA and asked them for transcripts for
4 the payments and reports from the insurance companies in
5 this matter. It came back that we were unable to identify
6 a duplicate payment in this particular instance at first,
7 so we went back to Elephant and Red Point and indicated,
8 you know, we're unable to find in the state's records
9 where a duplicate payment had been made. It took them a
10 bit of time but they were actually able to give us
11 transactional information that indicated that they had
12 made a duplicate payment and we were able to confirm that
13 with the Comptroller once we had the additional data.

14 So that being said, it is apparent that they
15 had both filed for the same amount of money for the same
16 period of time, and the ABTPA staff recommends that this
17 refund be approved.

18 MR. GAUSE: Mr. Chairman.

19 MR. HANSEN: Yes, sir.

20 MR. GAUSE: I'll abstain from this motion.

21 MR. HANSEN: Okay.

22 MS. HUNTER: Likewise.

23 MR. HANSEN: Ms. Hunter abstains.

24 MR. RODRIGUEZ: Mr. Chairman, I would like to
25 make a motion to approve Elephant Insurance's request for

1 a refund in the amount of \$35,386.

2 MR. HANSEN: Do we have a second on the motion?

3 MS. KINNEY: Second.

4 MR. HANSEN: Ms. Kinney.

5 Is there any discussion, further discussion on
6 this?

7 (No response.)

8 MR. HANSEN: All right. Hearing none, I'll
9 call for a vote. All in favor?

10 (A chorus of ayes.)

11 MR. HANSEN: Any opposed?

12 (No response.)

13 MR. HANSEN: Motion passes.

14 For the purpose of the folks, most of you know
15 this but for some of the new Board members, any time this
16 occurs like this, this money does not come out of our
17 grant allotment money, this comes from a totally separate
18 fund, so this is not depriving you or any of our programs
19 out of this \$35,000, so make sure you know that.

20 MR. MIZANI: Question for staff. Is there any
21 way for us to identify these payments other than the
22 insurance companies, whether it be the parent company or
23 the sister company being the ones coming to us? Is there
24 any way that we're keeping any track of these things or
25 any mechanism for that?

1 MR. PRICE: There are actually a variety of
2 different statistical processes that we utilize to try and
3 identify folks who are out of bounds for what we would
4 normally expect. The enforcement activity -- and once
5 again, this is going to be discussed later in the
6 meeting -- the enforcement activity is limited in our
7 regard. We have to reach out to sister agencies, like the
8 Texas Department of Insurance, for assistance in these
9 matters, and that will be discussed later today. So we do
10 have several different methods that we try and keep track
11 of on a regular basis to identify folks who either
12 underpaid or overpaid or a variety of different issues.

13 MR. MIZANI: Okay.

14 MR. HANSEN: The next thing is 4.B. Integon
15 National Insurance Company.

16 MR. PRICE: This is Dan Price again, ABTPA
17 grant auditor.

18 Integon National Insurance has been before the
19 Board before. They had originally requested a refund in
20 July of 2016. We had requested repeated information in
21 support of their assertion that they were due a refund.
22 We were unable to obtain that. So at a subsequent board
23 meeting on November 14, 2017, we brought this before the
24 Board and the Board actually requested that we reach out
25 to the Comptroller for assistance in performing a review

1 of an audit of this particular return, which we did.

2 The documentation, the official finding is on
3 the next page, on page 35 and 36. To briefly summarize
4 it, it basically asserts that the information that they
5 had requested was also not provided. They had requested
6 sample policies, for example, so they could see the number
7 of vehicles on the policy. That information was not
8 provided. They asked for the method of the calculation
9 that was used. That was provided and determined to not be
10 consistent with state regulations. So they recommended to
11 the director that it go before the Board with the
12 recommendation that this request be denied.

13 On page 37 and 38 there's a little bit more
14 clarity in just the final communication between Integon
15 and the Comptroller as to what was deficient and why that
16 recommendation was going to be made and what the
17 conclusions were going to be. So at this time, based on
18 the recommendation from the Comptroller that they were
19 unable to support the request for refund, it is the
20 recommendation of ABTPA staff that this refund be denied.

21 MR. RODRIGUEZ: Mr. Chairman, I would like to
22 make a motion to deny the refund request of Integon
23 National Insurance Company.

24 MR. HANSEN: Okay. Do we have a second?

25 MR. MIZANI: I'll second.

1 MR. HANSEN: A motion has been made and
2 seconded to deny Integon's refund. I would like to note
3 that Members Hunter and Gause have continued to abstain
4 from this deal.

5 Is there any discussion?

6 MR. WILSON: I have one issue I'd like to make
7 a question, Mr. Chairman.

8 MR. HANSEN: Yes, sir.

9 MR. WILSON: Mr. Price, was Integon notified
10 about this meeting today?

11 MR. PRICE: Yes, it was. It was notified in
12 writing.

13 MR. WILSON: In writing through email or
14 letter?

15 MR. PRICE: Through email.

16 MR. WILSON: Okay. And I just want to make
17 sure that that's on the record that they were provided.

18 And Mr. Chairman, I'd like you to call and see
19 if there's anybody from Integon to represent or discuss
20 this matter, even though they haven't signed up.

21 MR. HANSEN: Yes, we have no sign-up sheet, but
22 is anyone from Integon Insurance present today?

23 (No response.)

24 MR. HANSEN: Make a note that there's no one
25 here representing the insurance company.

1 MR. WILSON: Thank you, Mr. Chairman.

2 MR. HANSEN: Any other discussion?

3 (No response.)

4 MR. HANSEN: All those in favor of denying the
5 Integon refund request signify by raising your hand or
6 saying yea or nay. All in favor?

7 (A chorus of ayes.)

8 MR. HANSEN: Any opposed?

9 (No response.)

10 MR. HANSEN: Motion passes denying the refund.
11 Moving along, number 5. Mr. Wilson. I think
12 this goes in line with Mr. Mizani's question a minute ago.

13 MR. WILSON: Right. Thank you, Mr. Chair.

14 I'll go ahead and apologize in advance. We
15 kind of made a mistake as far as the way we organized the
16 book. Starting on page 45 which is the response, the
17 Board directed us November 2017 to talk to the Department
18 of Insurance about the definition of motor vehicle. We
19 had several people that are claiming exemptions that our
20 rule and our forms allow, but the statute and an Attorney
21 General opinion really doesn't authorize any type of
22 exemption. It says motor vehicle insurance, a \$2
23 assessment is on motor vehicle insurance.

24 And what my apology was for, the letter that's
25 following on page 47, there were two issues before the

1 Board on the November meeting. One was what do we do with
2 people who won't file or pay, and then the second was what
3 is your definition of motor vehicle insurance so we can
4 determine who owes the money. Unfortunately, I put the
5 wrong letter in behind the response to TDI. And I think,
6 Mary Beth, did you hand out? There should be a copy of
7 the correct letter that talks about the six exemptions
8 either in your board book or close to it, and it's an
9 email from me and it states that we were asking for
10 clarification of the definition of motor vehicle
11 insurance.

12 So in response to the letter about what is
13 motor vehicle insurance, and you'll see that the six
14 exemptions were laid out in the TDI's, Texas Department of
15 Insurance's letter. They said it's not a term we commonly
16 use even though it's defined in statute. The other thing
17 is that they went a step further and said that they didn't
18 have any obligation to help us collect the fee, which is
19 true and never was intimated in any of our texts or
20 conversations or emails.

21 So with that response, some of the board packet
22 that follows, we put together what we thought was going to
23 be a response based on a conversation with the Insurance
24 Committee members independently. I guess we didn't
25 officially have a meeting but we talked to the two

1 Insurance Committee members that were on the phone call.
2 We kind of came up with a strategy but since then we think
3 that the better strategy is laid out in a memorandum
4 issued by David Richards. That's also a handout, it's
5 titled Memorandum, to the Automobile Burglary and Theft
6 Prevention members.

7 You know, what David, Mr. Richards did in this
8 memo was really to lay out where we are today. It's not a
9 pretty picture but it's just the reality through a series
10 of rule adoptions and transfers of authority and some
11 statutory changes and some AG opinions, and so it doesn't
12 matter really at this point how we got here but how we go
13 forward and fix it.

14 Section 12 of our enabling statute, revised
15 civil statutes, authorizes this Board to convene an
16 advisory committee for a term of not more than one year to
17 set forth, to advise the committee on actions before it,
18 and it is our proposal today that we go forward with
19 establishing that advisory committee made up of industry
20 stakeholders, both associations and individual insurance
21 companies, that can provide us expertise and report back
22 whether we should make rule changes, whether we should
23 abandon all rules, whether we should -- you know, what
24 actions we need to take going forward, and then help this
25 Board to sort this whole issue out.

1 MR. RICHARDS: Mr. Chairman, may I?

2 MR. HANSEN: Yes.

3 MR. RICHARDS: As well as industry officials or
4 representatives, we want a couple of Board members, we
5 want staff from TDI and CPA as well, so it will be a well
6 rounded group to address this issue. As I found in doing
7 my legal research on it, it was really a high level review
8 of not only the rulemaking process, beginning with TDI,
9 but coming forward with the Auto Theft Prevention
10 Authority, our predecessor, and the AG opinion, and it
11 really created kind of a muddy picture of what was out
12 there. So as Bryan Wilson has indicated, we have what we
13 have, but we want to sit down with stakeholder groups and
14 a couple of Board members and see where we go forward with
15 the assessment fee and what we should do. But it's going
16 to be a number of different groups, representatives from
17 different groups that will be on this advisory committee
18 that we're recommending.

19 Thank you.

20 MR. HANSEN: Anything else?

21 MR. WILSON: Just going to Mr. Mizani's
22 question a minute ago. So in this process, we've been
23 moving forward, looking at the records of TDI, trying to
24 match up records for -- what do they call it, motor
25 vehicle years? Is that right, Dan? And then looking at

1 the Comptroller's retaliatory maintenance tax fee. What
2 we've walked into that hasn't really been addressed by
3 TxDOT staff over the years or people that came before us
4 was that there's some information out there that doesn't
5 line up and that's now we discovered these exemptions.
6 When these people didn't file a report but they were
7 listed as casualty insurers, we sent a note, they said,
8 Hey, we're exempt.

9 And so, yes, we've been using lots of data
10 streams to try to figure this out but we think that this
11 Board should appoint this advisory committee to really do
12 a wholesale revision of our business related to
13 collections, which could include not only these exemptions
14 but the other things that we're missing from our
15 stakeholders at TDI or the Comptroller or whatever.

16 So at this point we're in a little bit of a
17 mess. It's none of our making, and when we go forward we
18 need it well fixed. Is that a term? I don't know.

19 MR. RICHARDS: We'll go with it.

20 MR. WILSON: So with that, we request that you
21 establish this advisory committee.

22 MR. HANSEN: Motion?

23 MR. RODRIGUEZ: Mr. Chairman, I would like to
24 make a motion that this Board create an advisory committee
25 consisting of Board members, members of relevant

1 stakeholder groups, including staff and the CPA and the
2 TDI and insurance representatives, to review the law,
3 rules, forms and industry practices relating to the
4 ABTPA's collection of the statutory assessment fee.

5 MR. HANSEN: Do we have a second for this
6 motion?

7 MS. KINNEY: Second.

8 MR. HANSEN: A motion has been made and
9 seconded to create an advisory committee to review the
10 law, rules, forms and industry practices relating to the
11 statutory assessment fee. Is there any further
12 discussion?

13 (No response.)

14 MR. HANSEN: Nothing from our two insurance
15 folks?

16 (No response.)

17 MR. HANSEN: Okay. All in favor?

18 (A chorus of ayes.)

19 MR. HANSEN: Any opposed?

20 (No response.)

21 MR. HANSEN: The motion passes.

22 Mr. Wilson, I would like to comment. Thank you
23 very much, and Dan and everyone for the work on this.

24 MR. WILSON: And David.

25 MR. HANSEN: And David. There's a lot of

1 work -- for the people out here in the audience, there's a
2 lot of work behind the scenes that goes on, and these type
3 of topics, boring as they may be, are related to if
4 there's people that should be paying us money, that puts
5 more money in the pot that we can possibly get our hands
6 on, we want to take care of that, but if we're illegally
7 taking someone's money, we don't want to do that either.
8 So that's what that's all about.

9 Moving forward, number 6.

10 MR. WILSON: Okay. There's a sub-part, I just
11 want to call your attention in passing to page 53 of your
12 board book about the discussions that I mentioned earlier
13 with the Insurance Committee members that we'll
14 continue -- I just wanted to kind of lay out the
15 understanding for item number 1 that we're going to
16 continue the enforcement on non-payers and non-filers.
17 Now, the statute doesn't say that we can take enforcement
18 action or notify TDI if they don't file, but if you don't
19 file, we have no mechanism to know whether or not that
20 insurer has paid. So we're treating them one and the same
21 administratively and that's when I call your attention to
22 page 56 of the board book where under the DMV contract MOU
23 between DMV and ABTPA, the contract or the MOU outlines
24 that this Board will adopt policy and procedures for the
25 staff to follow and will implement that on your behalf as

1 DMV employees.

2 So this is kind of a clarification that when we
3 have 15 or 20 individuals that we've identified as
4 non-payers or non-filers, if we follow your process that
5 we're proposing that you adopt today on page 56, if I do
6 what you tell me to do, then I can go forward and notify
7 TDI of an action. And again, as David pointed out in his
8 memo -- I know not everybody read every detail of the
9 memo -- we don't have the legal authority to ask TDI to
10 revoke that license. This Board's only action, and it
11 says shall notify TDI that they didn't pay, it does not
12 authorize this board to say, Please revoke. And I think
13 I've stated that in the past and that's incorrect. The
14 only thing I can do if I follow this procedure and
15 identify they didn't pay or they didn't file, then I
16 notify TDI and say they didn't pay or they didn't file. I
17 don't request any action whatsoever to be taken. And they
18 can look at their enforcement actions. I've talked to TDI
19 a couple of times. They say that they might be able to
20 take an enforcement action and use this to their benefit,
21 but again, we can't request that they revoke somebody's
22 license, we just say, Hey, this person won't file, won't
23 pay.

24 So that's what this procedure is setting forth,
25 and as we begin -- everything we've been dealing with up

1 to now has been 2015, this is now 2018, so if you adopt
2 this procedure, then me and my staff will begin doing what
3 we did for '15, according to this procedure, for '16 and
4 '17 which are now fully paid and we have the records so
5 we're ready to move on, but we have been holding back
6 until we got an answer from TDI. So that's what's being
7 laid out here today, and if you adopt this procedure,
8 that's what we'll do and then as soon as we find somebody
9 after all these written certifications, notifications to
10 attorneys, all the activities that we've been doing to get
11 ahold of somebody to say please respond to us or tell us
12 that you have an exemption, or whatever. You know, a lot
13 of these guys we've found out were attorney malpractice,
14 they're property and casualty insurance but they're
15 attorney malpractice or they're medical malpractice.
16 Well, okay, that's all we needed to know, thank you very
17 much.

18 So anyway, that's what we're recommending, that
19 you adopt this procedure and then we'll implement it on
20 your behalf and notify TDI when anybody fails to pay or
21 file.

22 MR. RODRIGUEZ: Mr. Chairman, I would like to
23 make a motion that this Board adopt the policy and
24 procedures as displayed on page 56 in the board meeting
25 book, and I further move that the Board delegate the

1 authority to the ABTPA director to notify TDI when
2 insurers fail to pay the assessment fee or fail to file
3 the required assessment forms.

4 MR. HANSEN: Do I hear a second?

5 MR. MIZANI: I'll second.

6 MR. HANSEN: The motion has been made and
7 seconded to adopt the policy and procedures displayed on
8 page 56 of the board meeting book to authorize the
9 director to notify TDI when insurers fail to pay the
10 assessment fee or fees or fail to file the required
11 assessment forms. Any further discussion?

12 (No response.)

13 MR. HANSEN: All in favor?

14 (A chorus of ayes.)

15 MR. HANSEN: Any against, opposed?

16 (No response.)

17 MR. HANSEN: Motion passes. Thank you.

18 Number 7, Mr. Wilson.

19 MR. WILSON: This is an informational item and
20 we're not going to be taking an action on this. I just
21 wanted to report back to you, as this Board took action
22 last year, I think it was the November meeting but it
23 might have been the one before when we received the \$2-1/2
24 million cut. This Board really stood up, recognized, you
25 did a lot of cost-saving measures. I don't know if you

1 remember that. You reduced the fund balance for program
2 income, we cut some administrative costs out of the grant
3 programs and we kept all the officers that we were trying
4 to hold onto, the highly skilled and trained officers that
5 we have in these task forces, and it was tough and these
6 guys really stood up and we appreciate everything the
7 Board did.

8 Well, one of the things we recommended, staff
9 recommended is to ask the Legislative Budget Board for
10 unexpended balance authority which is very rare in state
11 government. Normally when you have an unexpended balance
12 it just disappears back into the general fund. This Board
13 made that request of the governor and the LBB, they
14 granted that request. We said up to \$500,000. We had
15 estimated it was going to be around \$250- or somewhere in
16 there. Well, it turned out it was \$357,000 -- we're still
17 closing out some POs, but it's going to be right at
18 \$350,000, a little bit more.

19 And so I just wanted to report back to both the
20 task forces, as well as this Board, that that was a great
21 opportunity that we took. It was a big risk, sometimes
22 these things are not met with great favor, but the
23 governor and the LBB both granted that request, and so
24 here we are today with an additional \$357,000, and then
25 we're going to move over to the budget and talk about what

1 we can do now that we have these funds available for this
2 time period.

3 So, thank you, and thank you, task forces, for
4 stepping up and helping us with that.

5 MR. MIZANI: Bryan, that carryforward amount,
6 how does it compare to previous years?

7 MR. WILSON: It's right in line. The most
8 we've have is around \$500-something, \$550-, and then the
9 lowest we've had is \$100-. I'm kind of working off of
10 memory for the last five years, but this is kind of right
11 in the middle. I mean, we had averaged the last five
12 years when we made the request and went a little higher
13 just in case for the \$500,000.

14 MR. MIZANI: But as you noted, it's not every
15 year that we get that amount back.

16 MR. WILSON: Oh, no. This was a one-time deal
17 that the governor and the LBB did. We have always asked
18 for our budget to have unexpended balance in the biennium.
19 The state never grants unexpended balance across a
20 biennium, but it's very normal for especially grant
21 programs because we can't control our expenditures. These
22 guys have a huge penalty within their city and county
23 governments to come up short on their budget, they would
24 get chastised pretty severely. So there's always going to
25 be some slack there. They kind of have to build that in

1 to the system.

2 So anyway, that's kind of where we are and so
3 we hit about where we thought we were going to hit.

4 MR. MIZANI: Thank you.

5 MR. HANSEN: Thank you, Mr. Wilson.

6 Number 8.

7 MR. WILSON: So now that we know that
8 information, and thank everybody for doing that, as part
9 of the contract between ABTPA -- or MOU between ABTPA and
10 DMV, the ABTPA Board is supposed to administer the
11 expenses of the agency and one of the ways we have always
12 done that is through a budget, but we didn't have any
13 meetings in time for the budget, so I just took a risk
14 that y'all might come back after the fact and authorize
15 the budget for this year. We pretty much loaded in what
16 we had the previous year. The exceptions, there's certain
17 things in salaries.

18 So just wanted to go ahead and ask you to adopt
19 the budget as it stands right now, and then we'll talk
20 about the \$357,000 separately over the next few pages. So
21 with that, here's the budget consistent with previous
22 years and the obligations that you made in the grants.

23 MR. HANSEN: We do have someone signed up to
24 talk about this.

25 Richard, is this the agenda item you wanted to

1 bring this up on?

2 MR. HALE: Good morning, Board. My name is
3 Richard Hale, sergeant for the Sheriff's Combined Auto
4 Task Force. I'll be discussing not only the FY19 budget
5 but the budget moving forward. So I'd like to thank you
6 today for allowing me to speak and I'd like to acknowledge
7 all the new Board members, all the task force members and
8 directors that are here today.

9 The topics I will be discussing will not apply
10 to all task forces represented here today, however, many
11 are facing some of the same financial challenges. I do
12 not intend to speak for everyone, but only offer my
13 experiences as they relate to a 17-county multi-
14 jurisdictional task force. Some of the topics will be
15 caseload versus proactive units, D.O.E. expenses, and
16 Sunset Committee recommendations.

17 ABTPA supports the grantees and task forces
18 statewide across many jurisdictions. Some grantees are
19 single agencies and others are multi-agency task forces.
20 Regardless of the size, it is paramount to keep in mind
21 that all are working toward the same goals and objectives.
22 Depending on the agencies, some of the agencies do not
23 carry a caseload but focus solely on proactive
24 investigations and stolen vehicle interdiction, while
25 others may carry 30 to 40 cases per month. Regardless,

1 the vast majority of all task forces rely on grant funds
2 to pay salaries, which leaves very little to apply to
3 direct operating expenses.

4 D.O.E. includes necessary task force expenses
5 such as tracker cell time, bait vehicle cell time,
6 purchase of bait vehicle cameras, LPR license fees and
7 fuel costs. Historically those have been dependent on
8 program income Chapter 47 seizures to cover their D.O.E.
9 and have recently found themselves short on funds. Many
10 theories can be offered to why program income has fallen.

11 My theory, which is supported by our statistics, is that
12 we have become better stewards in finding the lawful
13 owners of stolen property which has produced fewer Chapter
14 47 seizures.

15 Looking forward to the upcoming legislative
16 session and the possibility that we may be funded at an
17 increased percentage, we must reexamine how funds will be
18 distributed. Some of those allotments should be dedicated
19 to better funding task force D.O.E. As proactive
20 investigations become more technical, better funding for
21 task force D.O.E. to acquire and maintain investigative
22 resources and equipment will greatly assist Texas auto
23 theft investigators in prosecuting auto theft offenders
24 and recovery of stolen motor vehicles.

25 Consideration must also be given to overtime

1 costs of having agents on call to remotely monitor these
2 type of bait operations. Multi-jurisdictional task forces
3 have the ability to conduct operations across a wide
4 section of Texas. Proper funding of bait operations and
5 stolen vehicle interdiction should be designed around
6 personnel who have the ability to conduct the 24/7
7 operations. These types of operations within task forces
8 could have deputies or officers assigned to assist the
9 detectives who oversee the operations. The FTE position
10 for a deputy would be much less than that of a detective,
11 however, those operations are often hampered by lack of
12 funds for personnel, technical equipment, overtime,
13 callback and pay requirements.

14 Additionally, the Sunset Committee recently
15 recommended additional responsibility of odometer rollback
16 and title fraud investigations without consideration of
17 additional detectives or investigators to perform these
18 investigations. Effective odometer rollback and title
19 fraud cases are often lengthy investigations which involve
20 undercover agents posing as clients of businesses
21 suspected of committing these violations. These type of
22 operations involve numerous agents to conduct undercover
23 type investigations to develop the evidence necessary to
24 successfully prosecute the offenders. If the
25 recommendation is passed, grantees will be given

1 additional responsibilities but there will be no increase
2 in personnel to investigate the offense. Without funding
3 for these specialized investigations, the plan simply
4 fails.

5 The bottom line is that we can no longer
6 function effectively at the rate of budget cuts. If the
7 budget increase comes to fruition, then we must be ready
8 for a plan that maximizes the potential of task forces
9 that are struggling financially. It is equally important
10 to bear in mind that any new full-time position that may
11 be considered must include a vehicle, equipment, computer,
12 uniforms, work station and housing.

13 In closing, I thank you for your time and
14 consideration and would ask if fully funded, ABTPA
15 prioritize appropriate funding for the day-to-day
16 operating expenses of all the task forces.

17 Thank you.

18 MR. HANSEN: Mr. Hale, as always, well said.
19 Thank you very much.

20 On Richard's comment, I would only like to
21 follow up that this is something, a pain that we've all
22 felt, every one of you in this room. I've been in your
23 seat and have felt your pain, and just so you'll know, you
24 can tell by the upcoming proposed budget, hopefully,
25 depending on what the legislature does, that the goals and

1 objectives that were set forth by Richard's presentation
2 is the goals and objectives of everybody in this room.
3 And so duly noted, Richard. Thank you very much.

4 MR. MIZANI: One question.

5 MR. HANSEN: Yes, sir.

6 MR. MIZANI: Looking at page 60 here, when you
7 look at the budget obligations and the available, the
8 \$1.2- that's available, do we anticipate what will be the
9 estimated carryforward for 2019, if there is any?

10 MR. WILSON: This is Bryan Wilson, for the
11 record.

12 So what we've been doing for the last several
13 years was we have been obligating current resources into
14 future years to try to help cover. So this year what
15 should have happened was when we got the \$12-1/2 million
16 budget, we should have cut all the grantees by 20 percent
17 or 15-1/2 percent. Because we had held back about a
18 million in obligation out of '17, when the Board voted to
19 do the '18 grants, we went ahead -- we thought we were
20 going to be funded about the same level and have what
21 Richard was just talking about, some supplies and D.O.E.
22 and equipment money, but as it turned out, we got cut by
23 \$2-1/2 million, so we used that million dollars to kind of
24 buy into the future

25 And that's what we're planning on doing this

1 year again. If the legislature as of May 29 comes back
2 with a number that's north of \$12.9-, more than \$12.9-, we
3 can consider other alternatives this summer on how we can
4 do things, but at this point, that \$1.2- is how we've been
5 able to hold 236 officers into the field. In other words,
6 the money we didn't budget out of our current
7 appropriation is how we've been able to hold onto the
8 number of officers, and we'll plan on doing that again
9 this year unless we get more money for '20, FY20 and '21,
10 in which case then the Board can decide, okay, we'll go
11 ahead and deal with that obligation now.

12 Does that help?

13 MR. MIZANI: It helps. And maybe I'm just
14 misunderstanding it with the sheet that we have here for
15 budget, but we were fortunate that in 2018 the governor
16 and the LBB gave us that carryforward money. As you
17 indicated, that hasn't always been the case, and so I
18 guess from my perspective is if that isn't always the case
19 we can depend on, I want to make sure that we are
20 allocating those resources back to the task forces
21 whenever we can. So it sounds like we really haven't
22 anticipated yet because we're still waiting for May for
23 the session to kind of go through, but we haven't really
24 anticipated or estimated what a carryforward would look
25 like to finish in 2019. Would that be correct?

1 MR. WILSON: Yeah. I mean, we have a lot of
2 outstanding issues pending the session, but one of the
3 things that the LBB and the Governor's Office in their
4 questions back to me at that time, and I discussed with
5 the chair -- I realize I can't call a meeting when the LBB
6 asks a question, so I tried to work with, but part of
7 their concern was if you're just going to do what you were
8 going to do with this unexpended balance, and I said,
9 Well, again, with the advice of the chair, we can't speak
10 for the Board but the Board will try to look at some
11 things that we haven't been able to do for several years
12 that are our responsibility. Because we knew it wasn't
13 going to be a million or it wasn't going to be a lot of
14 money.

15 So that's what I'll be laying out next with
16 kind of holding to that semi-commitment -- in other words,
17 I don't commit on behalf of the Board but I do have to
18 answer questions to the Legislative Budget Board and the
19 governor that this \$357- would try to buy back the four
20 years now since we haven't done any statewide effort on
21 communication, communicating strategy. Part of the
22 \$50,000 for the rapid response is an idea that we've been
23 talking about for over two years, and then the PPRI,
24 there's some talk about making changes in the grant
25 process which means I have to change the programming and

1 the current application and enhance our reports that we're
2 able to get.

3 So that's why this \$357-, since it wasn't even
4 part of our consideration at all, I was going to propose
5 to the Board that we try to do something different so we
6 can buy back some of the years that we've been
7 languishing. It's not much money but I think we could
8 make a start is what I'll be proposing. And the \$1.2-
9 that will be held until we figure out what the session is,
10 and if that turns out that the session is very favorable
11 to us, we'll be able to put that into the task forces and
12 say, Okay, now who needs trucks, who needs LPRs, who needs
13 some of the things that Mr. Hale just talked about, and
14 then we can go ahead and try to liquidate that before the
15 end of the year, and then we'll start the new year fresh.

16 MR. MIZANI: Thank you.

17 MR. HANSEN: So if I understand what you're
18 telling us now is that if we know May 29 that we are going
19 to get additional funds, then in the current grant year
20 right now we could move forward with this \$1.2- to address
21 some things like Richard mentioned about trucks or
22 vehicles or computers, or whatever equipment and things
23 like that are needed, then we could do that this year.

24 MR. WILSON: The Board would have to lay out
25 some parameters, because you can't do everything, you

1 can't add staff that quick, so you'd have to say, okay,
2 what can we do and what would the task forces need that we
3 could actually use this money for and do kind of a
4 supplemental to their current grant.

5 MR. HANSEN: Richard, I know you're already
6 done, but that's the direction that you're talking about.

7 Correct?

8 MR. HALE: (Inaudible - speaking from
9 audience.)

10 MR. HANSEN: Can you come up and speak at the
11 mic?

12 MR. HALE: I'd use an example of HPD who was up
13 here with \$31,000 in overtime and the success that they
14 had in that operation. It would be up to the Board to
15 decide if you have extra money how can it best be utilized
16 within all the task forces that have that type of needs
17 that they have a proven track record that they can utilize
18 those funds. So yes, it's good.

19 MR. HANSEN: Thank you.

20 Anything else on that item? Do you have
21 anything else, Mr. Wilson?

22 MR. WILSON: Well, we need to adopt the budget.

23 MR. HANSEN: Right.

24 MR. GAUSE: Mr. Chairman, I'd like to make a
25 motion to adopt the FY19 budget as displayed on page 60 of

1 the board book.

2 MR. HANSEN: Do we have a second?

3 MS. HUNTER: Second.

4 MR. HANSEN: Ms. Hunter.

5 A motion has been made and seconded to adopt
6 the FY19 budget as displayed on page 60 of the board book.

7 Is there any other further discussion?

8 (No response.)

9 MR. HANSEN: I just have one comment on that is
10 that remembering last year to streamline the process,
11 although it wasn't the money we wanted that we knew what
12 the money was going to be so it just made it easier to
13 pretty much kind of split it in half as best we could and
14 put this year on paper so that we can move forward and you
15 didn't have to go through a whole long drug out process
16 every year, so that's the reason why we're doing this the
17 way we are today.

18 Any other further discussion?

19 (No response.)

20 MR. HANSEN: All those in favor?

21 (A chorus of ayes.)

22 MR. HANSEN: Any opposed?

23 (No response.)

24 MR. HANSEN: Motion passes.

25 For the record, I'd like to note it is 10:12.

1 We'll take about a ten-minute break.

2 (Whereupon, at brief recess was taken.)

3 MR. HANSEN: We're going to get started real
4 quick. Item number 9, Mr. Wilson, if you'd like to lay
5 that out for us.

6 MR. WILSON: Sure. This will be an action item
7 before the Board, something that we've been thinking about
8 and talking about. What used to happen is this agency
9 used to spend about a million dollars a year on statewide
10 advertising and I guess in 2014, the meeting that occurred
11 I guess my first day here, they had cut that to \$600,000
12 but shortly, within a month or so after that I actually
13 canceled the contract and mostly due to the fact that
14 there were really no clear measures in that contract. I
15 mean, they would talk about impressions but really
16 couldn't get a handle on what they were supposed to
17 provide to us, and so checked with the chair and then
18 later the Board had authorized but in the meantime I had
19 suspended the contract.

20 But one of the things about doing a direct
21 purchase with the state in our particular statute is that
22 million dollars was counting against our 8 percent
23 threshold or maximum, so if the state went out and
24 contracted with a private company to use those dollars,
25 that million dollars was considered administrative cost

1 and not direct. Even though the statute, ABTPA's primary
2 statute is to fund law enforcement and to do public
3 education, the way that that contract was set up, it would
4 be called administrative and the Legislative Budget Board
5 said -- matter of fact, one or two years that the Board
6 actually went over because of that million dollar contract
7 its 8 percent statutorily allowed administration.

8 Well, we've been considering how to meet our
9 obligation and this unexpended balance authority has given
10 us our first opportunity in several years to consider how
11 to move forward, and also in a way that would cause this
12 to be not administrative expense. So what I've laid out
13 on page 62 through page 69 of your board book is a process
14 where we could solicit, issue a request for applications
15 to nonprofit corporations that are already in the business
16 similar to what we do. I know of some of these
17 organizations in existence right now, Insurance Council of
18 Texas, AAA Texas, I know some insurance companies have
19 nonprofit corporations that do this statewide education.
20 There's others like the Texas Association of Counties --

21 MR. HANSEN: Sheriffs' Association.

22 MR. WILSON: Sheriffs' Association, Police
23 Chiefs Association, TMPA. So any of these organizations
24 that are already in this business and are already
25 organized on a statewide basis to communicate these kind

1 of messages would be eligible, they would have to
2 demonstrate their eligibility. So it's not open to a
3 local marketing firm or even a nonprofit marketing firm
4 that only covers the Houston area or the Austin area, they
5 have to be on a statewide communication platform.

6 So if the Board approves, I will issue this
7 out, publish it as broadly and as widely as I can to any
8 nonprofits and we will seek applications for a plan for up
9 to \$200,000, and if the Board does it this way, when we
10 spend any money it will not be administrative expense, it
11 will be grant expense and it won't go against our 8
12 percent administrative threshold.

13 So I've laid out this, it's been reviewed by
14 DMV fiscal, it's been reviewed by legal, and we think it's
15 a great opportunity for us to get back into the business
16 we used to be in of communicating to the public statewide,
17 and that's what I'm recommending, that we go forward with
18 this RFA. Now, I want to be clear, when you issue an RFA
19 you might get 50 applicants or you might get none, but
20 nobody has ever done something -- as far as I know, nobody
21 has done anything like this, this is groundbreaking.

22 And so we will go forward, issue the RFA, we've
23 got a procedure in place of the application. And then
24 also, the question is then how do we review it, whether
25 it's the grant -- whether you want to delegate the

1 authority to the Education and Legislative Committee to
2 look at the grants when they come in and make a decision
3 on your behalf. I know that's not in the motion here but
4 I wanted to get that in front of you, because otherwise,
5 if we publish it out for 30 days and we get two or three
6 applications, then I have to sit on it till the next board
7 meeting, or do you want to delegate it to one of your
8 committees to make the decision and either A, bring it
9 back to a recommendation or make the decision on behalf of
10 you.

11 But this is really open for discussion, and
12 again, it doesn't have -- because it's so groundbreaking,
13 it's --

14 MR. HANSEN: Well, first off, I want to make it
15 clear to everybody that this money for this item and the
16 next two is not going to have an effect on your current
17 budget for the upcoming year. None whatsoever.

18 I think for the future going forward, I think
19 if we could partner and have folks like the Sheriffs'
20 Association or the Texas Chiefs of Police Association, or
21 both, helping spread our word and using their strength to
22 support us in what we're doing could be very advantageous
23 in the long term. So I just wanted to lay that out.

24 Is that the direction that you're thinking
25 about?

1 MR. WILSON: Correct. We have these partners
2 that are out there already doing this kind of work, let's
3 see if any of them are interested in doing it for us.

4 MR. HANSEN: And the Insurance Council of Texas
5 would be eligible as well, would they not?

6 MR. WILSON: Correct. They're already working
7 with, I think, El Paso and Corpus handed out. Melissa,
8 you did a great job on Corpus Christi, did a great job
9 going on TV. Insurance Council of Texas gave thousands of
10 dollars worth of signage to put in parking lots, Hide,
11 Lock, Take, and other messages. So they've been a good
12 partner with our task forces directly and they've always
13 called me to say where can we help, so that's a really
14 great organization, and many others are too. So I don't
15 want to limit it to anybody but I do want to move forward,
16 and we only have a little bit of time to spend this money
17 so that's why it needs to move forward quickly. It's not
18 a lot of money on a statewide basis. It sounds like a lot
19 of money to you or me but on a statewide basis it's
20 nothing like the million dollars we used to spend.

21 MR. HANSEN: One thing about the Insurance
22 Council of Texas, having worked with them before, is they
23 would take this money and combine it probably some of
24 their money from other resources to help promote us.

25 MR. WILSON: Like I said, they're already doing

1 a lot of our work anyway.

2 MR. HANSEN: So we could be a force multiplier
3 here with someone like that on this.

4 MR. WILSON: Correct. To be clear, like if
5 they're doing signs and they say if we had this \$200,000
6 we'd do radio or we'll do television or we'll do YouTube
7 channels, this Board is not approving what that plan is
8 because those applicants have to tell us what it is. Does
9 that make sense? So today we're saying we know what the
10 money is and we would like a plan, and then we would
11 compare to say, well, you know, Group A is doing radio and
12 we're not sure radio is a really good place for our money,
13 but Group B is doing television or parking lot signs, I
14 don't know, just whatever, and then that's what will
15 determine what we think will be in our best interests.

16 MR. HANSEN: Which will come right back on the
17 Board's responsibility to choose which way we want to go.

18 MR. WILSON: Either that or delegate it to the
19 committee of the Board. It has to be the Board
20 ultimately, either you delegate to select the vendor --
21 select them to review it and bring it back to the Board
22 for a final vote.

23 MR. HANSEN: Okay. All right.

24 MR. GAUSE: Mr. Chairman, I'd like to make a
25 motion to adopt the request for applications for a

1 statewide public education and awareness grant as
2 displayed on pages 62 through 69 of the board book, and
3 I'd further move to request that the Board adopt a budget
4 up to \$200,000 to fund one grant.

5 MR. HANSEN: Thank you, Mr. Gause.

6 Do we have a second?

7 MS. HUNTER: Second.

8 MR. HANSEN: Ms. Hunter.

9 A motion has been made and seconded to adopt a
10 request for applications for a statewide public education
11 and awareness grant with a budget up to \$200,000 to fund
12 one grant. Is there any other further discussion?

13 (No response.)

14 MR. HANSEN: Hearing none, we'll take a vote.

15 In favor?

16 (A chorus of ayes.)

17 MR. HANSEN: Against?

18 (No response.)

19 MR. HANSEN: Motion passes. Thank you.

20 Number 10.

21 MR. WILSON: So before we move on that, I just
22 want to see if the Board wants to entertain a motion for
23 delegation to the committee or just get the results and
24 come back to the Board.

25 MR. HANSEN: I'd like to get the results first

1 and come back.

2 MR. WILSON: That's fine.

3 MR. HANSEN: I'd like to ask the Board

4 MR. MIZANI: Can you repeat that again?

5 MR. WILSON: Do you want the results brought
6 back to the Board or delegated to the Legislative and
7 Education Committee, or one of the committees.

8 MR. HANSEN: Education Committee, that would be
9 fine too.

10 MS. HUNTER: I think it should just go to
11 Education.

12 MR. HANSEN: Go to the committee.

13 Do we need to make a motion on that?

14 MR. RICHARDS: No, that's fine.

15 MR. HANSEN: Okay.

16 MR. WILSON: So when we publish it, and we'll
17 follow all the rules, grant rules, and then we'll bring it
18 back. We'll let the Legislative and Education Committee
19 review it and then work through the chair.

20 MR. HANSEN: Thank you.

21 MR. WILSON: Item number 10, I don't know that
22 we have any of our grantees that are wanting to talk about
23 our grant management and tracking system. We can always
24 bring back the eGrants system if they prefer, but I think
25 overall most people have learned to find it to be pretty

1 intuitive, or how we're able to collect data and track
2 performance on the grants, how they're able to do their
3 budget adjustments online and get fairly quick approval.
4 It used to be four budget adjustments limited and now they
5 can do it as they need to, but we still need a little bit
6 better reporting, and then also, we're going to be talking
7 in a few minutes about the grant application for next
8 year.

9 And so what we're recommending in this next
10 item is -- I haven't gotten the budget so I can't say this
11 much or that much, but we know we're going to need
12 enhancements for the new cycle. The system works
13 perfectly if we do exactly what we did last time, so I
14 don't want anybody to misunderstand that something is
15 broken, like in the case of eGrants, but I'm anticipating
16 that the committee might want to make some changes, and if
17 I do that, I can't wait until after you decide to make
18 changes to come back and ask for money because then we'll
19 be into June or July before the application can ever be
20 done.

21 So I'm asking for authority of around \$15,000.
22 The whole package is \$50,000 but the part of it is
23 \$15,000 for updating any changes that this Board makes
24 regarding the 20-21 application, and then Dan and I have
25 identified a few -- and these are just examples, I'm not

1 asking you to vote on these specific items -- ways that we
2 can get better reporting out of our system for both the
3 grantees -- I mean, the Board may not know but every
4 grantee in this room can go to the system and they can see
5 what the other grants are doing, what adjustments -- I
6 guess not adjustments but they can see how many arrests,
7 how many recoveries, all their data that they're being
8 held to the same standard, they can compare across
9 grantees and see that. They can see how well they're
10 doing compared to other grantees for the number of
11 officers, the money.

12 I don't know if it's a good tool. Sometimes we
13 probably should have a discussion about it, but overall,
14 the transparency has gone from almost zero to total
15 transparency. I want to keep that up and I want to make
16 it even more transparent in the way that we can run
17 reports and see data assimilated and put together.

18 So the second thing that's on this, the
19 National Institute of Justice, on page 73, issued a thing
20 that's near and dear to my heart, both in substance abuse,
21 the years I ran substance abuse programming as well as the
22 state court system, indigent defense and child protection
23 processes in the state courts, and that's using police
24 officer driven research to start thinking about how we do
25 our business. And A&M has put together a couple of

1 proposals. For years we did those offender data surveys
2 through TDCJ, and we haven't identified the specific
3 project but we'd like to set aside money.

4 The other one is if you'll look at the data
5 that's in GMTS right now, you'll see a wide array of
6 results from bait cars, and we don't do anything about the
7 process of bait cars. You know, are the windows down, are
8 the keys in it, are the keys visible, what are the
9 features, are there other things in the car. Nobody in
10 the United States that I can find has ever done research
11 on bait cars but we use it all the time, and we have no
12 idea what the strategies are that end up in better
13 results.

14 So again, using our officers, going out to the
15 field, identifying projects and try to leverage that
16 National Institute of Justice model for officer-directed
17 research, we're asking about \$35,000 for that and it would
18 be part of an interagency agreement with Texas A&M to be
19 defined, and I'd work through the committees to identify
20 that.

21 MR. GAUSE: Is this an either/or option on the
22 options presented here, or does the ability exist to do
23 both?

24 MR. WILSON: Well, it's just examples of what
25 we could do. I gave them the NIJ research and I gave them

1 some of my data and the research, the principals at A&M
2 said, Well, just based on -- I haven't given them
3 everything but I gave them some ideas. I gave them the
4 document on page 73 and page 74, and said, What would this
5 look like for our officers? And the principals came back
6 and said, Here are two examples from what we looked at
7 your data that we think we could do some very
8 straightforward research on. And so it might end up being
9 something else, but I'd work through the Board committee
10 for that but I just wanted to show that we really should
11 take the responsibility to document the great work.

12 These guys work tirelessly day in and day out
13 but nobody ever really looks at the process and how we
14 could get better and improve our performance and document
15 that performance before the legislature, so that's part of
16 what's going on here.

17 MR. HANSEN: Two things on this. That's key
18 because you're going to keep hearing legislature,
19 legislature, and they're going to ask questions, because
20 as we well know, some technologies that we use get
21 challenged periodically or they're going to be challenged
22 legislatively, and this gives us an idea to be able to
23 justify through actual research of what everybody is doing
24 and how this works.

25 And then Mr. Wilson's comment about the

1 transparency on the grant tracking system, one of the key
2 reasons that I feel the LBB and what we've been able to
3 come up with in the recommendation that you're going to
4 see that has been laid out there on increased funding for
5 us comes from a lot of different areas, but one of the key
6 factors in that is their respect for this organization as
7 to the transparency of what everybody does and their
8 ability to see how we spend the money we have. And
9 they've been very verbal with that with Mr. Wilson.

10 So I know Mr. Wilson, sometimes he can be a
11 pain to all of us but it's paying off for us and y'all
12 need to know that. When you see what's coming up from
13 LBB, a lot of the key part of that element of that money
14 recommendation from them comes from there's no question in
15 their mind that we're one of the most transparent agencies
16 in state government and we do what we say we're going to
17 do, and what we spend money for, we accomplish things.
18 And that all comes from being able to generate and capture
19 more of what each and every one of you guys and gals are
20 doing every day, putting yourselves on the line, and what
21 you're doing he's capturing more and more of that and it's
22 starting to show up in all of our reports. And that's a
23 kudos to you all but you've always been doing it, we're
24 just getting it better. And so I just wanted to follow up
25 on that little thing about the contract on the computer

1 database of what we do, tracking everything that you guys
2 do out there. It's become more important than we ever
3 imagined as of right now.

4 MR. GAUSE: Mr. Hansen, I'd echo that. Just in
5 the little bit that I've looked around in the system and
6 seeing some of the reports and the narratives that have
7 been updated by the agencies is really helpful for me to
8 get a better understanding of what's happening and how
9 agencies are performing. But even in the option two that
10 we're talking about, the bait vehicle piece of things,
11 that's a place where the insurance industry often provides
12 vehicles to have some data that says when you provide it,
13 this is what happens on the other side and we have a
14 mechanism to make them more effective, I think it would
15 definitely help going forward with their engagement.

16 MR. HANSEN: If there was kind of somewhat of a
17 standard protocol then the insurance industry would be
18 more likely to support with more vehicles.

19 MR. GAUSE: Exactly because, you know, as that
20 vehicle is given from the insurance company, if you will,
21 that's a loss on salvage value that otherwise could have
22 potentially benefitted or offset claims. To see that it's
23 going to have a beneficial impact downstream in reducing
24 auto theft or having a positive effect on that side, it
25 creates a more willing environment, I would say.

1 MR. HANSEN: Well, there you have it. If this
2 results in us getting some more bait cars, the cost of one
3 bait car exceeds what we're expending here to do this.
4 Bait cars are instrumental to every group out here. Thank
5 you, Mr. Gause.

6 Mr. Wilson.

7 MR. WILSON: We need a motion.

8 MS. KINNEY: Mr. Chairman, I'd like to make a
9 motion to adopt the request to modify the contract with
10 Texas A&M University for modifications to the GMTS system
11 as displayed on pages 71 to 75 of the board book.

12 MR. HANSEN: Thank you, Ms. Kinney.

13 Do we have a second?

14 MR. MIZANI: Second.

15 MR. HANSEN: Armin, thank you.

16 A motion has been made and seconded to adopt
17 the request to modify the contract with Texas A&M
18 University for modifications to the GMTS system as
19 displayed on pages 71 through 75 in our board book. Is
20 there any other further discussion?

21 (No response.)

22 MR. HANSEN: Hearing none, all in favor?

23 (A chorus of ayes.)

24 MR. HANSEN: Opposed?

25 (No response.)

1 MR. HANSEN: That motion passes. Thank you,
2 Mr. Wilson.

3 Number 11.

4 MR. WILSON: This is of the unexpended balance
5 authority that we received, the last \$50,000 is a process
6 that I've worked through with legal as well as TxDMV
7 purchasing on how we could best move forward on a concept
8 we started discussing with this Board a little over two
9 years ago called the Rapid Response Strike Force. This
10 item is what you see on page 77 and 78 of your board book
11 is a process -- with one misspelling; I don't know what
12 twill is but I'll get that out of there. But the issue
13 here is that there are two items. Richard Hale a couple
14 of years ago was telling me about they were playing around
15 with some drones and looking at some drone technology and
16 said, Man, I wish we had a way to combat auto theft or
17 burglary of a motor vehicle on these big events that they
18 have. And so while we're not going to fund positions,
19 full-time FTEs under this kind of funding, if somebody had
20 an immediate need for equipment.

21 A few months ago the City of Kyle experienced,
22 just south of Austin, 39 burglaries in a one or two week
23 period. They had, I think, 15 every year on average for
24 the years before that for burglary of a motor vehicle.
25 And so these are things where Travis County or one of our

1 grantees can come to us and say I've got this neighboring
2 county, I've got this other jurisdiction -- I mean, we've
3 got Harris County here, there's really not a lot of
4 coverage in Brazoria and they've got Houston that's
5 oftentimes working in Fort Bend, and they could come in
6 and say, you know, we've got all these juggings or
7 whatever -- and I'm not picking on them just because of
8 previous conversations, it's available to anybody -- but
9 you could reach out to another jurisdiction, the task
10 force could fund overtime, equipment, travel.

11 Jeff Parsons just spent their travel money out
12 of their budget to go down to Dimmitt County to help the
13 sheriff down there and they had some good success. I'm
14 looking forward to hearing about that. We didn't fund
15 that one through the Rapid Response but that's the kind of
16 thing we would have been able to pay for somebody.

17 In the past ABTPA used to do Operation Gate
18 where people from Dallas and Houston would go down to the
19 border, they'd learn about border ops and then they would
20 use their LPRs and their equipment and get travel and
21 reimbursement, and it makes the system work better across
22 the whole state.

23 So I know it's not much money, we're only
24 proposing one or two events for this first year, but
25 \$50,000, and I have a couple of examples with Dimmit

1 County. You see a letter where the Dimmit County
2 Sheriff's Office asked for resources, Victoria stepped up
3 without us even having this process in place.

4 And then we've talked to NICB. They've reached
5 out to original manufacturers and come up with a way where
6 we could start marking tailgates with a QR code. Thank
7 you, Bryan Sudan, who talked me out of RIFD chips that I
8 was so intent on. But NICB has already found the
9 printers, they're willing to put up their money, but we
10 could put up money for like advertising for our local
11 governments or fund readers in the jurisdictions
12 throughout every police department within a region to say
13 we're going to mark every tailgate we can get ahold of and
14 here's the partial VIN or the VIN. And NICB has already
15 figured it out. They've got money but sometimes we need
16 to put our money with somebody else to do a project like
17 this.

18 So that's examples that I'm thinking for this
19 year but there might be surprises that these guys come up
20 with, but each one of these under this proposal, if it's
21 less than \$5,000, they would come to me, I would turn in
22 one of these applications, and I could make that on your
23 behalf. Now, I'm not going to do it by myself, I'll take
24 consultation from the chair and the committees, probably
25 by phone call, but I'll make that decision on that

1 project. If it's between \$5- and \$15,000, if you adopt
2 this policy, it will go to the committee via phone vote or
3 email vote with the application, here's what they're
4 proposing. And then if it's more than \$15,000, it has to
5 come before this Board based on what we've provided to
6 DMV.

7 So you see this Track 2, I haven't worked that
8 out with DPS. One of the big concerns that I have, just
9 take Rick over here from El Paso and he wants to do a big
10 criminal organization thing that has lots of confidential
11 information, DPS said in a meeting yesterday that they
12 would look at participating at this level but I don't want
13 Rick to start sending me all this confidential gang stuff
14 that is subject to open records under DMV because we do
15 not have a law enforcement exception to the open records
16 request, DPS does. So there's some mechanics on this
17 Track 2 that I don' think we're going to be able to do
18 this year until we work out some issues, but you can go
19 ahead and adopt the policy.

20 MR. GONZALES: Mr. Chairman, this is Dominic
21 Gonzales, for the record. Just to let you know that we do
22 have someone signed up to speak on the Victoria operation.

23 MR. HANSEN: Right, we have two. I'm fixing to
24 call them up.

25 MR. WILSON: So anyway, the Track 2, I'm

1 recommending that you approve the policy but there's some
2 mechanics that have to be worked out with DPS. Again, I'm
3 only trying to shield our police operations, their names,
4 undercover information, things like that that if it comes
5 into this office, I'm not saying that we would have to
6 disclose it, I'm just saying that then we have a legal
7 problem with David having to defend whether that should be
8 disclosed from a law enforcement perspective, and we're
9 not set up as an agency for that routine operation. It's
10 not that we can't, I just want to be careful that things
11 don't come into this office because DPS always says no to
12 everything because almost everything they do is a criminal
13 operation.

14 MR. MIZANI: Bryan, when you say that the
15 awards are going to be limited to one or two in the first
16 year, you're talking projects overall, in total?

17 MR. WILSON: That's my plan. I mean, if
18 everyone in this room right now turned in one this
19 afternoon, I'd be here till July, whatever, September,
20 trying to sort them out.

21 MR. MIZANI: But we're capping it at up to
22 \$50,000. Correct?

23 MR. WILSON: Correct.

24 MR. HANSEN: And this is really more just a
25 pilot because this is money that won't affect any grants

1 and we don't know what the next budget is going to be.

2 MR. MIZANI: So if someone needs a drone, this
3 is play money, in a sense, for these guys. So I guess my
4 only comment is, if we're capping it at \$50,000 -- which I
5 agree since it's a pilot program -- why are we in the
6 language here limiting it to only one or two. If we get
7 ten applicants at \$5,000, I'd much rather be able to
8 afford that at ten applicants than just cap it at one or
9 two.

10 MR. WILSON: I was doing a sales job for DMV
11 and everybody else.

12 MR. MIZANI: When you said drones, you sold me
13 with drones.

14 MR. WILSON: But it probably shouldn't have
15 been part of the policy, but I was also trying to set
16 expectation. I mean, when you adopt a first time out
17 policy like that, you're trying to kind of limit the
18 chaos. Nobody has ever done this before so I can't
19 really -- so like staff time. It was more instead of --
20 what do you call it -- instead of prescriptive I was
21 trying to be proscriptive and just say, well, I think
22 we're only going to do one or two this year.

23 MR. HANSEN: I agree. Particularly if they're
24 smaller ones we can surely do more than that.

25 MR. MIZANI: So do we need to modify that?

1 We're okay with that?

2 MR. RODRIGUEZ: Quick question. This would
3 also be open to other law enforcement agencies? Could
4 this be only for current task forces as opposed to
5 everybody?

6 MR. WILSON: Again, this is your policy and I'm
7 fine for you striking out the -- because right now we
8 don't have a motion on the floor so you could strike the
9 one or two, and then you can say, at least in the policy
10 that you're adopting, law enforcement -- it says the three
11 types of agencies that could qualify for funding. I don't
12 know that you need to change that because what's going to
13 happen is this year you can tell me, hey, let's do it to
14 ABTPA till we see if it works. You could say it's a pilot
15 project or you could make it part of the motion that it
16 would just be open to ABTPA officers.

17 One of the things that these guys told me when
18 we had our meeting in TAVTI was that they were not okay in
19 all circumstances -- I'm just going to pick on Houston
20 because I know y'all have been doing juggling stuff down in
21 Fort Bend County -- they're not okay, if Fort Bend
22 Sheriff's Office wanted to join them on the juggling and
23 we've already got a grant contract, it's going to be a lot
24 of work for Capt. Bennett to go out and get an MOU with
25 Fort Bend because they don't have one and it will take

1 weeks to figure that out and get the Fort Bend Sheriff's
2 Office to sign off on the MOU. And so what the thought
3 was is if Capt. Bennett comes up and says I can do this
4 juggling operation with overtime to Fort Bend, will you pay
5 them directly for the overtime for this project. In other
6 words, it's an ABTPA led project but he doesn't want to
7 have to go to commissioners court or city council to deal
8 with the MOU, so under his direction, Fort Bend would turn
9 in the request and I would give them -- if we approved it
10 for \$5,000 worth of overtime or whatever, then they would
11 run their juggling operation with Fort Bend SO and then
12 they're good. Does that make sense?

13 And so I was trying to leave that level of
14 flexibility even in the first year if it was done by one
15 of our grantees but they just don't want to spend six
16 weeks or eight weeks doing a MOU.

17 MR. HANSEN: Before we go any further, we've
18 got a couple of speakers that want to speak on this. Jeff
19 and Jerry from Victoria. Do y'all want to come up? If
20 you could identify yourselves, please.

21 MR. PARSONS: Thank you. I'm Detective Jeff
22 Parsons, Victoria Police Department Auto Crimes Task
23 Force.

24 Recently we were advised that Dimmit County was
25 having some issues with a lot of human trafficking and so

1 forth and stolen vehicles were being used for that, and
2 they were asking for help, and so basically, we
3 communicated. Israel Pacheco with the NICB was
4 instrumental in trying to get everybody together, and so
5 we ended up working with Dimmit County, Homeland Security,
6 NICB, DPS, Border Patrol and Victoria put together a joint
7 operation.

8 The issues they were having was these vehicles
9 would load up with illegals and then whenever law
10 enforcement would figure out, hey, this is not kosher and
11 they tried to stop them, then they would find a place to
12 run through a fence or something like that and they will
13 run through a ranch as far as they can until the truck
14 breaks down, crashes or whatever, and then everybody
15 scatters.

16 So we had helicopters and so forth, we had
17 plenty of air support during this operation, and we had
18 several meetings. And at first we started out, we have a
19 license plate reader on one of our interceptors, so we
20 took our interceptor down with the license plate reader
21 and we took two pickup trucks down that are unmarked and
22 we have a lot of tools and things in those pickup trucks
23 that we can use to help identify vehicles if the
24 identification is altered and so on.

25 So we took all of that equipment with us. It

1 was myself, Detective Sepulveda and our sergeant, Sergeant
2 Buck. Made arrangements to stay there, we arrived in
3 Carrizo Springs on Saturday. We just got back from
4 Victoria yesterday evening. So the operations began late
5 Sunday afternoon and the first way we were trying to do
6 this thing, we would have a meeting and come to a
7 consensus, and so what we were trying to do first is to
8 intercept the stolen vehicles as they were coming
9 southbound on I-35 with the license plate reader and try
10 to get them before they come down to the border and load
11 up with illegals. And that was the plan, but kind of like
12 the great philosopher, Mike Tyson, once said, everybody
13 has got a plan till somebody hits you in the mouth.

14 (General laughter.)

15 MR. PARSONS: And so we worked really hard all
16 afternoon Sunday and all night Sunday night trying to
17 implement the plan as proposed but we just really weren't
18 having any luck. So again, we had frequent meetings and
19 so forth and so we would adapt and we would change our
20 procedures and so forth.

21 So on Monday we began thinking, you know what,
22 we may just have to start to looking more at the back
23 roads and we may just have to catch them coming back, get
24 them either way, going, coming, whatever we have to do.
25 And the other thing that's important -- and we explained

1 to the folks who were working with us that yeah, the LPR
2 we were kind of using it as the tip of the spear but you
3 cannot just rely on the LPR, it's simply a piece of
4 equipment, there's a number of ways to defeat it. These
5 cartels know that, and I'll get into that in a minute
6 where some of them, yes, they did some things to defeat
7 it. So that's just one instrument, one tool that we can
8 use, but it has to be a team effort and we have to have
9 everyone looking for all sorts of different probable
10 causes, and then we can all converge as a team and work on
11 it.

12 So we began to look at it more like that, and
13 beginning Monday night we started having some success.
14 The first one we had was about 10:00 p.m. or so on Highway
15 83, which is one of the back roads leading from the
16 border, they try to make it over to I-35 to go north, and
17 a deputy was using his good police skills and just as we
18 were about to meet that truck, he picked up on some sort
19 of PC, lit it up and the chase was on.

20 They ran through a fence and into a ranch, the
21 chase went for a while. Eventually they got into a swampy
22 area and they got bogged down and stuck in mud, as almost
23 we did too. So anyway, of course it was full of illegal
24 aliens, they all scattered. We had a helicopter,
25 fortunately, we were able to scoop up eight, I believe,

1 aliens that had been in that truck. That particular truck
2 was a white Dodge Ram 2500. They take the rear seats out
3 so they can put more people in there; they also put people
4 in the bed and so forth.

5 And this is all part of the learning process,
6 not just for our agency but for everyone. So we as auto
7 theft investigators, once we help them get everybody
8 rounded up and stuff, we want to get eyes on that vehicle,
9 we want to see what's going on. Border Patrol was going
10 to process it. Of course we're giving them some
11 suggestions and so forth on what to look for
12 evidence-wise, but we're checking.

13 For example, that first truck, the VINs were
14 not altered, however, both of the license plates and the
15 interesting thing is the sticker, the registration sticker
16 on the inside of the windshield, they all matched, they go
17 to a white Dodge Ram truck but a different year model.
18 The truck was stolen out of San Antonio but the sticker
19 and the registration was stolen out of Wilson County and
20 not reported stolen. So I'm in contact with an
21 investigator out of Wilson County now that's going to go
22 to the house. We're still in process of following up on
23 this stuff.

24 So in other words, had they had not had this
25 other assistance, it's possible, okay, we got the aliens,

1 we got the truck, here it, get the owner, probably
2 insurance company, but there's other stuff to be cleaned
3 up here. Are the people in Wilson County involved in this
4 or not. We don't know. How did they get that sticker off
5 of the windshield? We know that it was in pristine
6 condition and put on the other vehicle. Was it on the
7 wrong vehicle? Was someone involved in insurance fraud
8 trying to make the truck disappear? These are things we
9 don't know but we are going to follow up on.

10 Since we were involved in this, these are some
11 additional things that we can go ahead and follow up on
12 the future and help these agencies out, because I can tell
13 you they are just swamped with this stuff, this stolen
14 vehicle and illegal alien traffic. I mean, every time we
15 turned around on the radio there's another chase, another
16 bail out, just every few hours around the clock. It was
17 an eye-opening experience, let me tell you.

18 So the next night, the next evening, we had
19 another vehicle. Same thing, we kind of focused more on
20 the back roads. Unbeknownst to us, we're heading down 83
21 right toward a Ford F-250. The LPR would have hit on,
22 Border Patrol figured it out first. Again, the chase is
23 on, high speed chase, long story behind all of that, our
24 engine gave out, Jerry had to pick us up in the other
25 vehicle, but anyway, we eventually get out there, they run

1 through another ranch, they run through gates and the
2 whole deal, they bail out, everybody is gone, the backseat
3 is out, you can see on the tailgate where all the people
4 in the bed of the truck was bailing out, so it was full of
5 people, we know that. Had another helicopter out.

6 So again, we're looking from case to case as
7 auto theft investigators. We want to know what's the
8 M.O., do they have a certain pattern, are they doing the
9 same thing every time, you know. In this case the MO was
10 a little different. This particular vehicle was stolen
11 out of Austin, it was stolen three days prior, they did
12 all the work to take the backseat out and everything, had
13 plenty of time to change the tags but they didn't change
14 the tags. So in this case had Border Patrol not hit it,
15 the LPR would have hit it, it would have given us an
16 alert.

17 So it was a little different from the first
18 one. None of the VINs were tampered with on that one
19 either. You know, we were able to look at that. There
20 was some evidence that we were able to point out to the
21 Border Patrol as they were processing it and things that
22 we think may possibly lead to a connection in Midland. So
23 again, some of these things hopefully can be followed up
24 on in the future and so on.

25 And as far as technicalities goes, as far as

1 logistics and things goes, of course, making reservations
2 in hotels, the travel, the gas and the manpower and stuff,
3 there's a lot of logistical stuff that I know on this side
4 the ABTPA Board has to consider, okay, if we have a rapid
5 response the paperwork and so forth and how we're going to
6 move the money around and do all of that, keep track of
7 things. But let me tell you something, on the other side
8 there's going to be issues we're going to have to work out
9 too. Like the City of Victoria, for example, this was not
10 a trip with hotels and per diem for training, this was for
11 an operation in a different part of the state and I
12 thought they were going to have a heart attack. I mean,
13 it was just red tape.

14 We finally got it squared away, but this is
15 stuff on the other side, on the county side, on the city
16 side that they are going to have to look forward and try
17 to be proactive and understand we may be leaving to do
18 operations here, there and elsewhere and so we need to
19 streamline our process as to how we do these approvals and
20 move things through finance and so on and so forth because
21 it was a bit of nightmare for a couple of days there. I
22 think my sergeant was about ready to hang himself.
23 Anyway, we finally got it straightened out. So I just
24 wanted to mention that.

25 The other thing that was very eye-opening to me

1 is that, you know, you hear a lot of talk on television
2 and with the news and all the politics and stuff
3 concerning the immigration issues and all like that, but
4 you don't hear about the collateral crime. What struck me
5 is every time -- and look, I feel bad for the people
6 trying to get over here. I understand they're trying to
7 get over here for a better life and so on and so forth. I
8 might do the same thing, you know what I'm saying? But
9 what you don't hear about and what struck me is that these
10 vehicles that's being used to smuggle them in, Texans are
11 being victimized. These vehicles are all stolen and if
12 you don't have insurance, you're directly victimized, if
13 you do have insurance the insurance company is going to
14 have to pay for it and then we all have to pay for it. So
15 one way or the other, directly or indirectly, Texans are
16 being victimized on a very, very regular basis.

17 We stopped Tuesday evening to have supper
18 together and everybody, it's been great working with you
19 and stuff, and these guys didn't even get to finish their
20 supper. We were ending our operation because we had to go
21 come home the next morning, and they're gone, there was
22 another bailout, another stolen car. Actually, two or
23 three guys had to leave first and then the rest of them
24 had to leave for another bailout before we could even
25 finish eating. So that's a lot of stolen cars, that's a

1 lot of Texans that are being victimized.

2 MR. HANSEN: I think what his point brings to
3 is where this money would be advantageous is what was
4 mentioned earlier, like Operation Gates, if some of you
5 are familiar with those, where they were coordinating at
6 that time mainly with DPS or with our border partner task
7 forces, and people from all over the state would go down
8 and help with the border checks. And number one, as you
9 indicated, vehicles were being recovered from all over the
10 state, so the odds are if you go down there you're going
11 to recover one of your own. I mean, you just made a point
12 of about seven different jurisdictions that you named off
13 there.

14 And also, those type of programs were
15 phenomenal training programs, because if you've got
16 somebody new and you examine a couple hundred cars a day,
17 and the same applies to our outbound seaports where we
18 have done things in the past -- and there's more
19 conversation on that later with Customs -- but the same
20 thing applies there is when they go examine ports like in
21 Houston or Galveston -- I know Galveston what did y'all
22 look at, over 1,200 cars in one day? One day. I
23 guarantee you there's stolen stuff from all over the
24 place. And again, if you want to use it as a training
25 tool as well and you look at 1,200 cars in one day, you're

1 getting your dose of medicine there.

2 So I think these are the type of programs that
3 somewhere down the line if we get additional funding, and
4 these pilot programs, I think, will prove well that this
5 could be something that could be utilized by a lot of the
6 task forces all over for proactive policing versus
7 reactive policing.

8 MR. PARSONS: And one thing, too, I think you
9 have to remember, I think like Border Patrol, for example,
10 they do a great job and they're looking for the human
11 smuggling, they're not necessarily interested in the
12 stolen car. They'll process it just to see who's driving
13 because they want to know who the smugglers are and so
14 forth, but working together like this, we're able to -- as
15 auto theft detectives, we're not just interested in the
16 human smuggling, we're interested in who stole that car,
17 what's their MO, et cetera, et cetera. And we can follow
18 back, just like on these registration, we can follow it
19 back doing investigations a little further and see what's
20 up, you know, who's doing what, is there insurance fraud
21 involved, how the cars are being stolen, or whatever,
22 because we're going to take more of an interest also in
23 the stolen cars.

24 MR. HANSEN: Thank you.

25 MR. RODRIGUEZ: Let me just comment based on

1 something real quick here. This year, I believe, BP is
2 doing different tiers for grant funds. Last year we did
3 an operation in Laredo with funds from CBP, and what they
4 did they ended up funding overtime for Operation Full
5 Throttle, and that operation itself -- and I just remember
6 right now that we had it here for the DPS meeting that we
7 had yesterday -- that operation, there was 65 targets
8 arrested, 80 stolen vehicles, 14 stash houses and 223
9 illegals.

10 Now, I think we should have a conversation also
11 with Border Patrol when it comes to operation like this
12 because they have a lot of money for them to also fund
13 this kind of collaborative effort, especially when we're
14 going to jurisdictions like Carrizo Springs and things of
15 that nature.

16 But nonetheless, you hit the nail on the head.
17 When I was talking about teamwork and about creating a
18 team here, you're talking about Midland, talking about San
19 Antonio, talking about different jurisdictions, I think
20 it's very important that we always communicate with those
21 jurisdictions and say, Hey, I've got one of your vehicles
22 here. Even though they'll say, okay, great, thanks, but
23 at least we're communicating and saying, hey, I'm down
24 here at the border and this is what I have.

25 But nonetheless, we're talking about cartels,

1 very dangerous, they're getting smarter. Right now the
2 organization that they have for human smuggling, you know,
3 it's a great business for them. They don't have to grow
4 anything, they don't have no chemicals to mix, just bodies
5 at \$2,400, \$5,000 a body. That's a lot of money.

6 So what I propose is we try this Strikeforce
7 and commit in the future, hopefully we can commit more
8 funds to it, because I know \$50,000 are going to go real
9 quick.

10 So I applaud you for the operation and it was
11 an outstanding job.

12 MR. PARSONS: One thing I just want to mention
13 too, we worked with several of the federal guys, and those
14 guys are incredible. They are working long and hard hours
15 and right now even though they're going to have to wait on
16 a paycheck. I just wanted to mention that and give them
17 kudos. They were awesome.

18 MR. HANSEN: Jerry, did you have something?

19 MR. SEPULVEDA: I believe he pretty much said
20 it all.

21 MR. HANSEN: It's hard to follow that act,
22 isn't it?

23 (General laughter.)

24 MR. PARSONS: Thank you.

25 MR. HANSEN: Thank you, gentlemen. Appreciate

1 it very, very much. Job well done, well done, as always.

2 MR. WILSON: So this is your policy. I mean,
3 again, I have no problems. If you want to go forward with
4 this policy you can strike for the first year, or you can
5 just instruct, you don't really have to strike the policy,
6 but you can instruct that this first year we'll only do it
7 for grant programs. And then the other issue, the one to
8 two, I think, Mr. Mizani, that you raised, then you can
9 just go ahead and instruct in the motion and instruct post
10 motion, however Mr. Richards says.

11 MR. MIZANI: I just want to make sure that
12 there's a lot of flexibility for staff and task force
13 agents. The bullet point number two, when you say law
14 enforcement agencies are in the coverage area of grant
15 funded task forces -- I understand that -- but do not have
16 staff funded in the program, what do you mean by that?

17 MR. WILSON: Well, thank you for asking that
18 because we have two things in our grant applications. We
19 have participating jurisdictions and we have coverage
20 jurisdictions. So we have Fort Worth here and they're a
21 good example because they have Arlington and they have
22 Weatherford, Parker County, but they also cover Jack
23 County on 68A inspections, but there's nobody in the Jack
24 County Sheriff's Office or anybody that's participating
25 but they go over and provide coverage. Matter of fact, I

1 think you've got a half time person over in Longview,
2 which is one of the larger cities in that East Texas area,
3 that they cover but they don't have any participation from
4 that law enforcement.

5 So a good example, if Lieutenant Richbourg
6 wants to do an operation in Longview where they have so
7 much population, so many stolen cars, he could make an
8 application for Rapid Response, get overtime for the Gregg
9 County Sheriff's Office and pay overtime through their
10 grant. Again, in this case he would be in the same boat
11 where he doesn't want to get a MOU set up for a three-week
12 operation that will take six weeks to set up the MOU. So
13 he could coordinate for the Gregg County Sheriff's
14 Office -- again, this is just an example -- to send an
15 application, a Rapid Response application for \$5,000 or
16 less than \$5,000 overtime to run in his operation for
17 breaking up a criminal organization, or whatever his plan
18 is.

19 So that was the second threshold. We kind of
20 want the first threshold to be our grant funded
21 organizations, the second threshold is people that are
22 covered by our grant but not participating, and then the
23 third one is any other law enforcement agency.

24 MR. MIZANI: I guess that's my question maybe
25 for the committee: Do we want to limit that second

1 component, when you say they're participating --

2 MR. WILSON: They're covered but not
3 participating.

4 MR. MIZANI: -- they're covered but not
5 participating.

6 MR. WILSON: Right.

7 MR. MIZANI: Do we want to limit it in that
8 fashion, or do we want to just generalize it and allow for
9 everyone?

10 MR. WILSON: Again, I wrote this in order of
11 priority, so again, you can give instructions that for
12 this pilot phase from now until September, August 31, it
13 would be just priority number one, so that's all we do.

14 MR. HANSEN: I would think that some of the
15 requests -- and I'm open for input from the crowd out
16 here -- that some of the requests are more likely going to
17 come from number two and that they have areas surrounding
18 their primary staffing group that they provide
19 investigative resources and stuff but they don't have
20 somebody assigned, and there's a problem there, that's
21 where they're going to go. I think that we'd probably
22 most likely get those type of requests, outside the border
23 and the port stuff, for these type of programs.

24 Number three, I think starting would be
25 completely any agencies totally outside of any of the

1 service areas for the task forces, I think for the pilot
2 program I think we should probably try to stick within the
3 areas of the task forces. And then if it's successful and
4 it works okay and we get some more money next go-round,
5 well, then we could look at expanding that.

6 MR. MIZANI: And this is really just
7 prioritizing. We're not saying you need to meet these
8 certain criteria, this is just for your purposes.

9 MR. WILSON: Right. If San Angelo sent me an
10 application and Longview sent me an application, in the
11 order of priority I'd have to go with Longview because
12 they're in our coverage area and San Angelo is totally
13 outside of any area.

14 MR. MIZANI: Okay. Makes sense to me.
15 Appreciate it.

16 MR. RODRIGUEZ: So when would this start?

17 MR. WILSON: Immediately.

18 MR. RODRIGUEZ: So where would the task forces
19 send the operational plan?

20 MR. WILSON: Well, if they want to do -- they
21 would have to hold it locally. Again, if it's a
22 straightforward, you know, just simple operation that
23 doesn't require law enforcement confidential information,
24 they would send everything to me. If they had elements --
25 so again, that example I used with Rick a while ago,

1 they're really wanting to do a gang strikeforce with all
2 the local jurisdictions in that area for El Paso, he needs
3 to hold on to the confidential stuff and I'll just have to
4 ask questions.

5 There's two parts to the application: one is a
6 financial part -- you still have to tell me overtime,
7 equipment -- help me out here -- travel, you still have to
8 say what that is, and then there's an estimate that I
9 think I'll get five vehicles recovered and three arrests
10 out of this program. So you're going to have to tell me
11 that, but everything else, until we work out something
12 with DPS, the task force commanders would have to hold the
13 law enforcement operation plan in their jurisdiction. And
14 I can see it if I go to El Paso or if I go to Dallas, I
15 would be able to look at what their plan is to see if I
16 think it's reasonable, but I prefer that they not send it
17 at this time until we work out some other mechanism. My
18 proposal with DPS, they said they'd have to look at it,
19 run it through their legal, so it could be months before
20 we get any traction on that.

21 So Track 1 is what we're clearly able to do
22 right away. What Jeff Parsons, Detective Parsons just
23 spoke about, travel to run go help Dimmit County, that's
24 not really law enforcement confidential, you're not trying
25 to give any details, so that would be Track 1.

1 Track 2 is like Operation Full Throttle and now
2 all of a sudden I've got all kinds of complexities that
3 come with that, we'll have to work that out.

4 MR. GAUSE: Given that it's uncharted
5 territory, do you have an idea of from application to
6 approval what that timeline may look like just from a
7 general expectation?

8 MR. WILSON: I think that some of these
9 requests would be very straightforward and simple and ten
10 working days at the max. Again, why did I say one or two
11 is because, remember, during the same time we're going to
12 be doing the 2021 application. I mean, our staff has a
13 full load already with still monitoring the grants that we
14 have this year, so that's why the limiting. The only
15 issue on that limit was that first year I just don't know
16 how we could -- I mean, look, we work overtime, we do a
17 lot of stuff because we're supporting people who are
18 really dedicated.

19 MR. RODRIGUEZ: So can we assign maybe three
20 commanders from the different task forces to oversee the
21 operational plan for now and then the after action to see
22 that we're effective as to what they did with the money
23 that was given to them?

24 MR. HANSEN: I think a working committee later
25 after they're done to look at the programs and see.

1 MR. WILSON: I think the policy is fine as it
2 is, and then what I can do is -- I think that they could
3 just hold it locally. I mean, everybody is responsible to
4 their own police agency and I don't mind trying to figure
5 out with that commander. Again, just in the interim, not
6 as the long term. But Track 1 is what we're going to have
7 to stick with, and then if it's a Track 2 then I'll have
8 to get the chairman and the Grants Committee, which is
9 you, Chairman, to be involved about how we can protect our
10 confidentiality.

11 MR. MIZANI: If we're ready, I'll make a
12 motion. I'd like to make a motion and move that the ABTPA
13 Board adopt a Rapid Response Strikeforce plan and a budget
14 of not to exceed \$50,000, but also no limitation to the
15 number of awards up to that \$50,000, as displayed on pages
16 77 to 83 of the ABTPA board meeting book.

17 MR. RODRIGUEZ: I'll second.

18 MR. HANSEN: Mike, you seconded?

19 MR. RODRIGUEZ: Yes.

20 MR. HANSEN: Okay. Thank you.

21 A motion has been made and seconded to adopt
22 the request to authorize a Rapid Response Strikeforce plan
23 as displayed on pages 77 through 83 of the board book,
24 limited to \$50,000 with no limits to the number of awards.
25 Is there any further discussion? Any comments?

1 (No response.)

2 MR. HANSEN: All those in favor?

3 (A chorus of ayes.)

4 MR. HANSEN: Any opposed?

5 (No response.)

6 MR. HANSEN: That motion passes.

7 Good discussion, guys. Thank you.

8 Number 13.

9 MR. WILSON: I think we're on 12.

10 MR. HANSEN: Twelve. I'm sorry.

11 MR. WILSON: All right. So this is the first
12 draft or at least the outline, it's not intended to be the
13 full document. You see in your board book that I've
14 highlighted in yellow things that need to be addressed
15 going forward, because we never had border security.
16 Typically a grant term and the obligation term is always
17 one year in state budgeting but what we've done is one
18 application for a two year period. Because you don't have
19 any legal authority to issue a grant for two years because
20 you don't have budget authority for that, we do one
21 application for a two year cycle and then you can
22 reallocate or re-award the grant on the second year. So
23 this is the second cycle we've done it in. I think most
24 people are pretty happy not to be filing applications
25 constantly year after year, so I think that's a good idea.

1 So I think the proposal kind of changed over
2 the last couple of days in discussion so what we're asking
3 you to do, because of the time frame, and the cities and
4 counties need the maximum amount of time to work through
5 their budget issues with their city councils and
6 commissioners courts, the original thought when we sent
7 out this book was that we would just ask you to appoint
8 either me or the Grants Committee to work through it and
9 bring it back at a next meeting. Discussion with the
10 chair and others the last couple of days, the time frame,
11 that's going to really leave a very short time frame for
12 the grant application.

13 So to give the cities and counties greater
14 flexibility and more time, what we're proposing in this
15 motion before you that you may consider is that you would
16 go ahead and authorize the issuance of the FY20-21 RFA so
17 that the director, after approval -- what does it say,
18 review and approval from the Grants Committee, would then
19 just issue it once it's been finalized through that
20 committee. So it's really an authorization to issue and a
21 delegation to the committee for the final version. And
22 that way instead of coming back in March or April and then
23 giving the cities and counties basically 30 or 40 days to
24 apply, they will likely have 60 to 90 days to work through
25 their commissioners and city councils.

1 So that's what's being considered before you.
2 All these details I'll work through, including the scoring
3 mechanism, for consideration.

4 MR. MIZANI: I'll make a motion if no
5 questions. I make a motion and move that the ABTPA Board
6 authorize the ABTPA director to issue the fiscal year 20-
7 21 request for applications after review and approval from
8 the Grants, Budget and Reports Committee. This includes
9 review of the grant application scoring system.

10 MR. GAUSE: I second the motion.

11 MR. HANSEN: A motion has been made and
12 seconded to authorize the ABTPA director for FY20-21
13 request for applications after review and approval of the
14 Grants, Budget and Reports Committee. The motion includes
15 a review of the grant application scoring system. Is
16 there any discussion?

17 I have discussion. I just want to make it very
18 clear, and this is the reason why we changed this, is
19 having communications with a lot of the grantees through
20 the years and having been on the other side of the table,
21 the scoring system is something that everybody questions.

22 This is why we wanted to go before the Grants Committee
23 which will include our law enforcement partners who have
24 been on your side of the fence to make sure that we feel
25 that this is being what's best for overall moving forward

1 for the Automobile Burglary and Theft Prevention Authority
2 as a whole, and that gives us a little checks and balances
3 to hopefully make everybody in here a little happier.
4 That's my only comment about that.

5 Any other discussion?

6 (No response.)

7 MR. HANSEN: All in favor?

8 (A chorus of ayes.)

9 MR. HANSEN: Any opposed?

10 (No response.)

11 MR. HANSEN: None. Motion passes.

12 Now comes the good part.

13 MR. WILSON: In May of 2018, this Board voted
14 to go forward with a continued appropriation request of
15 \$12.8 million, and that appropriation request at that
16 time, since that's what we understood the budget -- this
17 is May of 2018 -- the Appropriation Act said that we had
18 \$12.8 million so you asked that the legislature continue
19 \$12.8 million. And then you also, since the Sunset was
20 being considered at that time, we asked for \$6.6 million
21 in exceptional item requests if the Sunset provision of
22 the law passed, which would have been the number of
23 officers we estimated we needed to implement the Sunset
24 recommendation. Okay? So \$6.6 million was what we set as
25 an exceptional item.

1 Between the time you voted and the time that
2 the LAR was due and submitted to the authorities, the
3 Governor's Office and the LBB, Legislative Budget Board,
4 the Legislative Budget Board came back and said, Well, the
5 DMV appropriation for this category is actually \$19.4
6 million, not \$12.8-, and so we need you to submit the
7 budget based on the \$19.4-.

8 And I've got our legislative liaison here in
9 case I say something wrong. I'll watch his face,
10 hopefully it's not too poker. Matthew Miller has been of
11 great assistance to this Board that you'll never know how
12 much work he does on your behalf and helping these law
13 enforcement officials out there. So shake his hand if you
14 get a chance, he's a great guy, former Marine and just an
15 all around great person to help this program out.

16 But anyway, so they came back and said, Well,
17 you've got \$19.4- is what you have to put in your budget.

18 And we're like, okay, come on, quit it, stop, no joking.
19 And they said, No, that's what has to go into the budget.

20 And then the consideration of 2.5 percent increments of
21 cut from 2.5, 5, 7.5 and 10 also got submitted on your
22 behalf.

23 Well, all of a sudden that changed the dynamic
24 for what we needed the \$6.6 million for. So what we did
25 is we've reconfigured our budget and our plan of operation

1 on page 92, and when we went back and carefully looked at
2 what we had in our core budget and what we had in our
3 exceptional item, it really doesn't make sense for us to
4 continue the request for \$6.6 million. So what I'm asking
5 you to do, and LBB has called me on it and asked me to
6 consider, that given that the new budget is much higher
7 than what we started, they asked me to get you to consider
8 lowering the request for the expansion of the Sunset
9 Commission.

10 You need to understand that there could be any
11 iteration of things happen. The Sunset Commission bill
12 could pass and they would give us authority but they might
13 add all kinds of things. You know, what was Jeff just
14 talking about, human trafficking. I mean, they can
15 anything related to motor vehicles. We don't know what
16 that bill looks like, but more than likely we think it's
17 going to be something similar to what we asked for the
18 last session which was criminal offenses of the
19 Transportation Code. Is that right, Matthew?

20 So we think that's what it's going to be, eTAG
21 fraud, title fraud, registration fraud, inspection fraud,
22 those kind of things, odometer rollbacks. There's a few
23 others in there that are probably further away from what
24 we do, but at least the way that we're considering it is
25 we're supposed to be doing a registration program to

1 prevent vehicles from leaving the United States to Mexico.

2 We don't do that because we don't have any money to do
3 that. So we would treat it like that, but if they pass
4 the law and they pass the budget, we'll have money to give
5 the task forces to take on all these extra duties.

6 They could pass the budget and the exceptional
7 item request and not pass the law, I don't know what
8 happens then, but here's the money to do other kinds of
9 work that we don't have any authority to do. I don't know
10 what that translates out to but I think by Board rule we
11 might be able to do some things as related to auto theft
12 and burglary, you know, you can do title fraud,
13 da-da-da-da-da. Jeff gave a couple of good examples just
14 a minute ago, identity fraud, that's burglary of a motor
15 vehicle technically. Right? I mean, it could be, at
16 least the investigation would be ramped that way. So
17 there's some things administratively if we got the money
18 and didn't get it.

19 So I guess what I'm saying is for right now I'm
20 asking you to respond and lower the request for the
21 exceptional item which is contingent -- well, it's not
22 contingent but it's based on the authorization to expand
23 ABTPA's scope to include other motor vehicle crimes.

24 MR. HANSEN: And reducing that amount at their
25 request, because they're the ones that also bumped up our

1 base thing \$6.6 million or \$6 million, is this puts our
2 total amount that we're shooting for here, based on if the
3 legislature cooperates with what's been put on the table,
4 of a total of about \$24-1/2 million. I don't think
5 anybody in this room has any complaints about that, I hope
6 not. So we're at a better starting point than I think we
7 have since the inception of this program a far as the
8 right people recommending the appropriate amounts of money
9 that will allow you to expand and go out and do your job
10 for the citizens of the State of Texas that are paying
11 their fee on their insurance policies.

12 So for just discussion before we get into a
13 vote, I think if the LBB is recommending this massive
14 increase in our base budget here, for them to say, hey, if
15 you would cut back on this to kind of round it off to this
16 number amount, they obviously have a reason for that and
17 obviously their reason is to our benefit. We don't want
18 to look greedy here -- although we should be, but we
19 don't.

20 Do you want to continue about these other
21 things in here?

22 MR. WILSON: Well, I think we should vote on
23 this one.

24 MS. HUNTER: I would like to make a motion to
25 adopt the updated legislative appropriation request for

1 the fiscal year '20 and fiscal year '21 biennium of \$19.5
2 million per year in continued funding and an exceptional
3 item request of \$5 million per year, as presented on page
4 92 of the board book.

5 MR. HANSEN: Do we have a second?

6 MR. MIZANI: I'll second.

7 MR. HANSEN: Thank you, Armin.

8 A motion has been made, seconded to adopt and
9 update the legislative appropriation request for FY20 and
10 FY21 of \$19.5 million per year in continued funding and an
11 exceptional item request of \$5 million per year, as
12 presented on page 92 of the board book. Is there any
13 other additional discussion?

14 (No response.)

15 MR. HANSEN: Hearing none, all in favor?

16 (A chorus of ayes.)

17 MR. HANSEN: Any opposed?

18 (No response.)

19 MR. HANSEN: The motion passes on number 13.

20 MR. WILSON: So right now, Chairman, a few
21 other things on the agenda. Like I said, Matt Miller from
22 the Government and Strategic Communications is here. He's
23 our legislative coordinator for DMV, so if you have any
24 questions.

25 But at this point when the Board voted back in

1 May of 2018, you said that in years passed we've pursued
2 lots of legislative cleanups and things like that, this
3 year we said we're only going to seek a sub-account within
4 the TxDMV account, and what that does is that while the
5 legislature can pass any law and do anything it wants, but
6 if it's in a sub-account of a permanent standing account,
7 the likelihood that they'll have to go in -- we still
8 can't spend any money that's not appropriated but they
9 don't generally go into a major standing account and
10 remove the money directly.

11 So, Mr. Mizani, the questions you asked earlier
12 about the unexpended balance, well, the unexpended balance
13 authority is the ability to spend that \$357-, that's what
14 we've never had. Right now when we don't spend money,
15 because it's held in the general fund, it just becomes
16 invisible. This would at least, from an accounting
17 perspective, stay in the DMV Fund and you could see the
18 money even if you had no legal authority to spend it. But
19 it could accrue over time, as DMV, some of their accounts
20 as well do, and so you would at least know what the
21 balance is pending, and it's easier go to the legislature
22 and say I've got a half a million or a million dollars in
23 my sub-account, would you authorize me to spend it for
24 this purpose, and they can do that through both the
25 Legislative Budget Board process and through the

1 legislative process.

2 So thank you, Matt, for shaking your head so I
3 didn't get too far off. Appreciate that.

4 So really there's nothing to do. I'm informing
5 you that this is the only issue. The chair wanted to at
6 least bring up two other issues for you to consider or not
7 to consider. We don't have prepared motions but I think
8 they're more aspirational, but I'll let the chair take the
9 last two. I'll be glad to explain them.

10 MR. HANSEN: Well, Matthew, I would like to
11 explain what we just talked about here in words that maybe
12 I understand is that historically our money goes in the GR
13 and the legislature pretty much -- I'm trying to be
14 politically correct here -- can take as they will and
15 appropriate to us what they want. They could still do
16 that to this money in this account but it makes it very
17 clear to anyone doing that of where that money is coming
18 from. Is that a pretty good description? I didn't mean
19 to throw you under the bus.

20 MR. MILLER: Matthew Miller, Government
21 Relations with DMV.

22 That's pretty much correct but the one
23 difference from what was pursued last time is that this
24 would have the amount that gets deposited to the DMV fund
25 be the amount that they actually appropriate as opposed to

1 linking it to the revenue collection, and the goal of that
2 would be that there would be a zero fiscal impact to that
3 change. So that would be the only difference.

4 MR. HANSEN: But it just makes it very clear
5 that that money is earmarked for a specific thing. If
6 they still want to do something with it they can, but
7 instead of just coming out of the big black hole of GR.

8 MR. MILLER: It would.

9 MR. HANSEN: It gives the money a name, it
10 gives the money a name and a face, but when it goes to the
11 GR it loses all that.

12 MR. MILLER: That is correct.

13 MR. HANSEN: Is that pretty close?

14 MR. MILLER: Pretty close.

15 MR. HANSEN: Okay. Just wanted everybody to
16 understand the purpose of doing this is if they're going
17 to touch it, everybody is going to know where it came
18 from.

19 MR. WILSON: Any other questions?

20 (No response.)

21 MR. HANSEN: Sunset, you've already done that.

22 MR. WILSON: Well, we have just a quick update.

23 Are we going to do the Sunset here?

24 MR. HANSEN: You can do that now.

25 MR. WILSON: Go ahead.

1 MR. GONZALES: Hello. My name is Dominic
2 Gonzales. I wrote up this summary on the Sunset bills for
3 the 86th Legislative Session.

4 On August 29, 2018 the Sunset Advisory
5 Commission met to go over the commission decisions
6 regarding the TxDMV as well as ABTPA. There were no
7 changes to the discussion to the ABTPA recommendation to
8 expand ABTPA's scope to include other motor vehicle crimes
9 such as title and odometer fraud, to name a couple. The
10 final step will take place in January when the Sunset
11 Advisory Commission will vote on the final report at the
12 beginning of the 86th Legislative Session, which just
13 began.

14 MR. WILSON: Hang on, Dominic. I think that
15 took place yesterday. Is that right, Matthew? And it was
16 passed with no change.

17 MR. HANSEN: That's good.

18 MR. GONZALES: So DMV and ABTPA agreed with the
19 recommendations to combat a broader range of motor vehicle
20 crimes. During the 85th Legislature we worked with
21 Representative Lucio on a bill to add criminal violations
22 of statutes listed in 1001.002 of the Transportation Code,
23 but that didn't pass. The leg counsel is currently
24 drafting the TxDMV and ABTPA Sunset related legislation;
25 we haven't seen it. The bill created by the legislative

1 counsel will usually match the results, and once the bill
2 language is drafted and the sponsors attached, the
3 legislation follows the same path as any other
4 legislation.

5 MR. WILSON: And Matthew and Mr. Richards, does
6 that come to your offices?

7 MR. RICHARDS: It will come through there first
8 and then come to us.

9 MR. WILSON: So once that bill is written, it
10 will come to your office and we'll distribute it out to
11 the members at that point. No?

12 MR. MILLER: Matthew Miller, DMV Government
13 Relations.

14 That bill is controlled by the Sunset process
15 and it's their bill and they may give us a copy in advance
16 of being filed, but it would be their decision as to
17 whether we see it before filing. It's based on what the
18 Commission recommends only.

19 MR. WILSON: Thank you. That was an important
20 distinction.

21 The last thing that was on here is the agency
22 name change. There's been a lot of discussion about that
23 and a lot of it had to do with trying to get the
24 legislature to recognize the enforcement end of what we
25 do. I think there was a stigma with a lot of the people

1 that we spoke with by our name that you're a bunch of cops
2 going to AARP meetings handing out brochures to little old
3 ladies on how not to get their car stolen, and as we well
4 know, yes, you were doing that but you were also putting
5 your stuff on the line every day out there in the field.
6 So we thought maybe a name change would be appropriate.

7 We came up with several things that were really
8 involving enforcement type names, and the minimum change
9 was a recommendation by one of the key senators of just
10 removing Prevention and replacing that with Enforcement.
11 But our whole goal with that was to get our image out
12 there to get more money appropriated for us, but now based
13 on what's happened with LBB and based on what's happened
14 with Sunset, particularly yesterday -- thankfully, they
15 didn't change anything as far as we were concerned which
16 is a wonderful sign -- we've pretty much come to the
17 conclusion, just speaking to some legislators, that if
18 we're on the right track and we're on this direction for
19 this money, let's leave well enough alone for right now.
20 And I tend to want to agree with that.

21 Senator Bettencourt is who we spoke to, from
22 Houston. If he decides he wants to do the Enforcement
23 versus Prevention, that's pretty minor, we'll leave that
24 up to Senator Bettencourt. But I think as far as an
25 overall complete overhaul, there was a reason behind it

1 and right now I don't see that we need to put any more out
2 there than we need to. We need to stay on the radar.
3 They got our money out there, let that take its flow. So
4 I just wanted to kind of give an update on the thought
5 process behind that.

6 Anything else under number 13?

7 MR. WILSON: No, sir.

8 MR. HANSEN: Anybody else have any other
9 questions or discussion?

10 (No response.)

11 MR. HANSEN: All right. The director's report,
12 Mr. Wilson.

13 MR. WILSON: We'll be passing it around very
14 quickly. Everybody knows they have their five seconds or
15 less -- I'm joking. They were giving me a hard time
16 because they think I'm a little demanding on getting that
17 report done, but this time everybody is ready to go home.

18 So Dan will go ahead and do the budget real
19 quick, and do we still have Sheila here? No, we lost
20 Sheila.

21 MR. PRICE: My name is Dan Price. Once again,
22 I'm the ABTPA grant auditor. We're looking at page 100 at
23 the moment. Now that you all have approved the budget, we
24 can tell you how we've been spending it.

25 (General laughter.)

1 MR. PRICE: So the upper block, this was
2 prepared on December 20 and the upper block is AY 2019.
3 Once again, you had previously approved the obligation of
4 the grants for 2019, so those have been obligated. We
5 have not begun paying those yet although the expenditure
6 reports were due and are being turned in as we speak.

7 The bottom block is AY 2018 where we're winding
8 up and one thing that I was asked to highlight on this is
9 there's two numbers on here that might be a little
10 confusing. The first one is under projected obligations
11 and encumbrances. Under grants we have the \$2.1 million
12 that shows that that hasn't been paid. In fact, part of
13 that is for three payments that at the time this was
14 prepared were remaining to be paid for Q4 obligations.
15 Some of the money was brought forward, which Mr. Mizani
16 was talking about earlier, \$1.15 million was brought into
17 Q1 from the '18 year, and so that money, those bills are
18 just coming in as we speak. The remaining amount of money
19 on there is the money we spoke of at the beginning of the
20 meeting where folks have underspent just a little bit and
21 of that amount about \$325,000 on page 58 is where we
22 believe we will come in for folks underspending the money
23 on Q4 final 2018.

24 The \$31,000 on page 58 would equate to the
25 \$31,000 on the right-hand side there which are pretty much

1 administrative costs that we have underspent and were able
2 to return that money to the budget for these other special
3 items that we've talked about previously.

4 Are there any questions on that page?

5 (No response.)

6 MR. PRICE: Okay. So I'm going to flip over to
7 the next page. We have a requirement to report our
8 statutory spending for border and port designations that
9 were earmarked as part of our appropriation. The FY final
10 estimate -- we've got one or two more payments, once
11 again, that are pending right now -- should come out to be
12 \$5,115,063.84. This is on page 101. The amount that was
13 appropriated per year for the biennium was \$2.8 million.
14 We had earmarked or budgeted \$5.250 million for border and
15 port, and then the breakdown for the border and port are
16 on the right there. Now, once again, the numbers will
17 look like they don't add up because the City of
18 Brownsville is both border and port, and so that number is
19 listed twice; you just need to account for that if you're
20 trying to combine them.

21 MR. WILSON: Thank you, Dan.

22 So just some of the things that have to take
23 place over the next few weeks, especially if we get to put
24 in our plan of operation. I sent out the plan of
25 operation and it was submitted to the legislature back in

1 December. Every member of the legislature, they have a
2 new process this year for distributing that report and
3 both the House and the Senate set up a process to notify.

4 So we worked through the plan of operation, that page
5 that we were just looking at a few minutes ago, the blue
6 page to reduce the exceptional item was the budget page
7 out of that plan of operation. That is our official
8 standard.

9 One of the items is to cover the part of the
10 state in our core funding, so I have been trying to set up
11 meetings with -- we say in that plan of operation on page
12 103, we have large swaths of the state where we have no
13 coverage for ABTPA and I'll be reaching out through our
14 stakeholders, Sheriffs' Association, Chiefs of Police
15 Association to try to set up meetings to get them on board
16 to apply for new grants so that if we do get all the
17 funding some of that money will have to go to expanding
18 our coverage areas.

19 We've looked at border security development.
20 On page 104, just high level you can see -- except for
21 where I messed up that one red dot north of Brewster
22 County -- all that white area and then below Laredo is not
23 covered, yet we're being asked to do border security. So
24 there needs to be conversations about how, when, who to
25 set up a task force. We do have a statutory requirement

1 that we have it fully funded in years, and certainly
2 Laredo, Brownsville and some of those areas are taking
3 care of it the best they can, but we do have a statutory
4 requirement to prevent vehicles from entering Mexico from
5 the United States. So that is part of our strategy in the
6 plan of operation.

7 Some of the excerpts, I'm certainly not going
8 to read it to you, but I just want to remind you that part
9 of the plan of operation that we discussed over the last
10 several years is adding prosecutors, on page 105, and the
11 description of that is largely out of the plan of
12 operation. And also, DMV has also added a CID, a Criminal
13 Investigation Division that we would work closely and help
14 coordinate prosecutors through that office, especially if
15 the Sunset grants us -- or the legislature grants us
16 expanded authority.

17 One of the proposals that I've learned over the
18 last several years of attending and working with
19 automotive cybersecurity -- and the City of Dallas
20 especially but others, Dallas is fixing to release a
21 video, a law enforcement video that they helped
22 coordinate. But we really don't have full time technology
23 experts implanted in our task forces. We're not asking
24 for the world but we do want to try to get and encourage
25 at least seven full time technology experts that are also

1 law enforcement personnel.

2 I've met with the cybersecurity regional
3 director for FBI. He's on board, he thinks it's a great
4 idea. And of course, the government is shut down now but
5 I sent him this draft document for him to look at whenever
6 he gets back around to responding to email.

7 So that's all I have. Are there any questions
8 about our plan of operation and some of the things that
9 I'm working on to promote ABTPA in new areas?

10 MR. HANSEN: I don't.

11 MR. WILSON: Okay. I'll turn it over to Mary
12 Dominguez for the grant reports information, statutory
13 measures.

14 MS. DOMINGUEZ: For the record, my name is Mary
15 Dominguez and I'm a grant coordinator for the Automobile
16 Burglary and Theft Prevention Authority.

17 On page 108 there is snapshot of the FY17 and
18 18 statutory requirements that are reported by the grant
19 recipients and that is required by statute that the
20 grantees track this information.

21 In FY18 there was an increase of recovered
22 stolen vehicles and persons arrested, and we saw a slight
23 decrease on motor vehicle theft cases cleared. Two areas
24 that I would like to highlight is the motor vehicle
25 burglary cases. We did go down significantly, 41 percent,

1 and also on arrests. That was based on there are some
2 agencies that are no longer doing motor vehicle burglary
3 operations.

4 Is there any questions?

5 MR. HANSEN: When you're saying agencies are
6 not doing it, are you speaking of task force agencies?

7 MS. DOMINGUEZ: Task force agencies due to
8 shifts in personnel.

9 MR. HANSEN: Right.

10 MR. WILSON: So pretty much with the \$2.5
11 million contraction, we had a contraction, and what I
12 think is going on based on the reports that we're getting
13 in the GMTS system is that we have limited resources so
14 we're going to have to just work auto theft because that's
15 our agency priority. Remember these are state funds
16 provided to the local jurisdictions for their priorities,
17 so they have to work on burglary and auto theft but they
18 get to choose their priority that fits their local needs.
19 That's the point of these kind of grants.

20 So I'll move on. Another thing we learned,
21 again, this is just an example, but Dan, go ahead and
22 cover page 109.

23 MR. PRICE: This is Dan Price again, ABTPA
24 grant auditor.

25 So with the new GMTS system we are collecting

1 data and those data are going into tables, and these two
2 are just examples of some of the information that's
3 available to us. So overall as an ask, one of the things
4 we would like the Board to think about are other types of
5 reporting, like you had talked earlier about maybe some
6 analysis of insurance folks and how they're doing on their
7 payments. But if you can think of any statistics that you
8 would like to see during the grant application process or
9 just as your oversight as the Board, we're happy to
10 produce that.

11 But let me give you an idea here on a couple of
12 the things that we did. To the point made earlier about
13 being starved for other funds, there was a discussion back
14 in 2016 during the budgeting process and that recognized
15 really that the most difficult asset for us to acquire is
16 a trained investigator. An investigator can take up to
17 two years to train just to get up to speed. The amount of
18 cost and time involved is just enormous. If you lose that
19 investigator, you're not going to be able to go and get
20 one back tomorrow, that investigator is gone. So a
21 decision was taken that we needed to try and emphasize
22 more on retaining personnel.

23 So the question came up during the preparation
24 for this meeting: How did we do, were we able to retain
25 those investigators or did we lose them? And so we did

1 this quick analysis and the system basically said you lost
2 a net of one investigator, law enforcement officer, during
3 the period of time from 2016 to 2019. There are other
4 little anomalies in the data that would affect that a
5 little bit. One of those is that we've been encouraging
6 folks to report all of their expenses and all of the asset
7 and resources that are being used on a grant so that we
8 can have a better idea of what we're actually doing for
9 the state. So one of the grantees actually reported five
10 additional in-kind folks that they're paying for that were
11 not previously reported.

12 So the reality of it is we probably lost about
13 six law enforcement investigators due to the budget cuts
14 and other issues, but we've been overall successful in our
15 objective of retaining trained investigators from 2016 to
16 2019, and this was just a real easy way to demonstrate
17 that.

18 The second discussion that came up, once again
19 back in the 2016 era, we were looking at the age of the
20 fleet and the age of the vehicles and we were also looking
21 at the blend of leasing versus procured vehicles. And
22 some actions were taken to try and restrict the amount of
23 money spent on leasing. We are unable to allow people to
24 obligate funds for more than the grant year, so that makes
25 it difficult for them to even sign a one year lease. By

1 the time the money is approved, usually it's too late. So
2 a lot of folks were doing one month rentals which are
3 enormously more expensive than say a one or a two year
4 lease.

5 But we are able to determine, for example, the
6 average age of the fleet, we can tell you by a given
7 grantee how old their particular vehicles are, and in this
8 example what we did was we looked at the entire population
9 of the fleet that ABTPA maintains on its inventory plus
10 the leased vehicles, and we're able to tell you just real
11 quick that we have 24 vehicles designated as bait, five as
12 administrative, eight are undisclosed or other, we have a
13 dozen that are either spares or floaters -- now we'll get
14 back to that in a second -- there are 15 specialty
15 vehicles. We have a couple of ATVs where people have
16 taken cars out to a swamp and sunk them and the ATVs are
17 used to go and find those vehicles, as an example. We
18 have 194 that are currently assigned to our law
19 enforcement officers, and we have 235 law enforcement
20 officers, so some of those floaters are being distributed,
21 people are sharing basically. You may have two different
22 law enforcement officers that are sharing one vehicle. So
23 we have a total of 258 vehicles currently being reported
24 in the ABTPA inventory, and once again, this number can be
25 produced pretty much on demand any time anybody wants it

1 as to what is it today.

2 Thank you.

3 MR. HANSEN: Thank you. That supports what Mr.
4 Hale said earlier about equipment and vehicles. Thank
5 you.

6 MR. WILSON: The next item would be FY18
7 closeout on budget adjustments from Mary Dominguez.

8 MS. DOMINGUEZ: This is Mary Dominguez.

9 On page 111 and 112 we have a snapshot of the
10 FY18 grant adjustments report. We had a total of 34
11 adjustments submitted, 22 were budget, ten were
12 program/scope adjustments, two were program and budget
13 adjustments, and six were denied. I just want to bring to
14 your attention that in the book it says four but there was
15 actually six. One was Corpus Christi was denied before
16 the publication of this book.

17 MR. WILSON: Do you want to go ahead and do
18 FY19 grant adjustments so far?

19 MS. DOMINGUEZ: We go to FY19 on page 113, we
20 have a total of seven grant adjustments. There were four
21 budget changes, two program changes, and there was one
22 budget and program change.

23 MR. WILSON: Just a reminder that this is what
24 I do on your behalf under state law and according to the
25 Uniform Grant Management Standards. When the contract is

1 set by you after you've reviewed the application, a budget
2 adjustment is a change in the contract. There are limits,
3 and any time I think it exceeds my authority, I consult
4 with legal counsel and then we bring it back to the Board.

5 But every once in a while, again I use Montgomery County,
6 they just wanted to add a coverage jurisdiction. Well, it
7 didn't cost us anything, it didn't change anything, but
8 you do need to be able to report to the legislature we
9 just added Angelina County to our network. So those are
10 the kind of things I want you to know that we're doing on
11 your behalf.

12 Part D, I'll call on Mr. Dominic Gonzales to
13 talk about what we've tried to do on public education and
14 awareness.

15 MR. GONZALES: Hello. This is Dominic
16 Gonzales, grant coordinator.

17 I just want to highlight some of the major
18 activities that we undertook as staff for the educational
19 programs and public education. That is one of the
20 statutory requirements of ABTPA, and as we discussed
21 earlier, we used to have a much larger budget which has
22 decreased due to budget cuts.

23 This year we did receive a proclamation from
24 the Governor's Office for Watch Your Car Month. That was
25 very important for showing support throughout the entire

1 state, the governor's support for our work. It was also
2 important in sharing that with our task force members so
3 they could obtain their own local proclamations. And so
4 an image of that is provided in the book.

5 We coordinated with the national organization
6 that has organized National Night Out and they gave us
7 permission to use their visual assets and their logos for
8 the 35th anniversary of National Night Out. Across the
9 country these activities usually take place in August but
10 in Texas, because of the heat, many communities use
11 October for National Night Out, the first Tuesday in
12 October, I believe. And so we posted this on the TxDMV
13 website, we provided it to our task forces, and we tried
14 to coordinate activities. We also sent out material upon
15 request, promotional items and educational material to
16 local communities that wanted to use ABTPA assets in their
17 National Night Out activities.

18 We secured the rights to images and developed a
19 campaign for a holiday alert and we released that November
20 2018. This was placed on the TxDMV website for statewide
21 dissemination. We also provided these visual assets to
22 all of the task forces so that we could coordinate our
23 message and make sure that motorists throughout the state
24 understood that they had a role to play in protecting
25 their vehicles and protecting their gifts during the

1 holiday season.

2 There is a chart that shows the amount of
3 promotional material that ABTPA staff shipped out to grant
4 recipient and to other stakeholders. We use our mailing
5 logs to track this.

6 The governor's proclamation is on page 117.
7 Page 118 is an example of the tracking that we do of the
8 activities that the task forces undertake for their own
9 educational activities and promotions, and so page 118
10 describes all of the task forces and the targets that they
11 set for themselves and the amount of totals that they
12 actually reached related to conducting public awareness
13 related activities and conducting training activities for
14 other law enforcement agencies.

15 MR. WILSON: Thank you, Dominic.

16 So as we talked earlier, we're trying to
17 improve our operations related to the way we collect the
18 funds and also the way we provide you information about
19 the refund determinations that you make, so on page 120,
20 Dan, go ahead and take that one.

21 MR. PRICE: Just real quickly. This is Dan
22 Price again, ABTPA grant auditor.

23 Just real quickly, as we discussed earlier,
24 more and more folks are indicating that they're making
25 duplicate payments on behalf of another entity. In order

1 to be crystal clear, we've added a request for the
2 Comptroller's ID number so that we know exactly which
3 other identity they're saying has made the payment. A lot
4 of the insurance companies have similar names and to make
5 sure there is no confusion.

6 We also want clarification that if they're
7 asserting duplicate payments were made, we want proof of
8 both payments up front rather than having to go back and
9 ask for it. That will speed the process along.

10 And then the last thing is that we used to
11 require them to file an amended return with the
12 Comptroller before we would consider their request, and
13 what we found is that the Comptroller's systems are not
14 really quite designed for the ABTPA process, we're
15 actually utilizing their systems as best we can with what
16 they have. So what was happening was they would send the
17 amended returns in to the Comptroller's Office and every
18 once in a while one of them would escape. A processor
19 would get it, they wouldn't understand quite what it was,
20 and they would go ahead and process it and the refund
21 would go ahead and be made without our prior approval. So
22 this way they're now going to send those amended returns
23 to us, and once the Board has approved the refund, we will
24 go ahead and submit them to the Comptroller on their
25 behalf. The form is on the next page, and that's it for

1 that.

2 MR. WILSON: We'll skip the next item, Mr.
3 Chairman. We've already talked about the Sunset.

4 MS. MENOSKEY: Hello. My name is Mary
5 Menoskey. I'm going to brief you on the investigator
6 trainings that we've held so far for fiscal year '18 and
7 '19.

8 In '18 we have had three trainings. We had
9 them in Dallas, San Marcos and San Antonio. We've already
10 held two for fiscal year '19, we held those in Galveston
11 and Houston earlier this year. And then we have the first
12 advanced course that was held that was held in Fort Worth.

13 That was our first one that we have held. And we did not
14 have the DMV TCOLE training committee, they were not able
15 to approve it at that time, so the Tarrant County Task
16 Force handled the TCOLE for that, but luckily in December
17 we were able to get that approved so now we can take over
18 the advance course and start doing all of the TCOLE
19 paperwork that comes involved with holding the training.

20 We plan to have one more advanced this year;
21 that will be in Humble in April, it's already scheduled.
22 And we're looking to have possibly two more intermediate
23 trainings, maybe one early summer, one early fall, just
24 depending how many people sign up for that.

25 And then we also worked with NICB for what we

1 called the auto theft analyst and investigative assistant
2 training. It was basically a 3-1/2 hour course on ISO
3 claims search. Those were held at the DPS. They are
4 hosting it for us because they have the computer training
5 center, which we do not have here, because they have to
6 use computers for this course. The DPS took up half the
7 seats and we took up the other half, and we sent 22
8 students to these classes. We plan to have one maybe in
9 the next couple of months, and one more to finish up. The
10 first one that was held was held during TAVTI so we didn't
11 have as much participation because they were at the TAVTI
12 conference, so we want to get one more in to get anyone
13 who missed it.

14 And that's where we stand.

15 MR. HANSEN: That's the analyst training you're
16 talking about?

17 MR. WILSON: Correct.

18 MR. HANSEN: Thank you, Mary.

19 MR. WILSON: I'll go ahead and do these next
20 two real quick. So one of the things that was an audit
21 finding back in 2014 was that the agency, specifically
22 staff had not monitored the comprehensive annual financial
23 review required by state law by any entity receiving at
24 that time I think it was around \$500,000, now it's \$750-.
25 I just wanted to let you know we're keeping up with that.

1 You know, sometimes you get away from something that
2 happened four years ago and you say, well, okay. But I
3 want you to remember we're still paying attention, or you
4 to know that we're still paying attention.

5 Every one of those, Mary Dominguez did most of
6 them, I think Dominic has done some, but we were listed as
7 a specific program income on the financial -- I'm sorry --
8 as a grant on 12 of the 24 that we reviewed for this time
9 period, which is 2017, the last closed period. We'll
10 start getting new ones here. We had some findings on
11 those grants for those cities or counties that had
12 findings of deficiencies as far as internal controls.
13 Some of them had IT user accounts and things like that, so
14 it's comprehensive, it really means the entire city
15 government transaction system. But none of those were
16 identified as harming our funds or putting our funds at
17 risk of loss or misuse. And then the final thing is that
18 we take these, even those finding that don't affect us, we
19 take that into consideration when we decide to go do a
20 monitoring.

21 Now, on the monitoring, we didn't do any
22 monitoring in FY18. We were so busy and swamped trying to
23 build our GMTS and our data tracking system, but I do want
24 you to know I've finished the checklist, we're going to
25 try a new model of checklist, it's based similar to our

1 old version. One of the problems we had two years ago
2 when we did 12 monitoring visits, the visit is easy but
3 writing the report for the findings is really, really hard
4 and time-consuming when you have grant applications and
5 everything else to do. So trying to make it more of a
6 checklist. Right now I've already submitted that to
7 Internal Audit Division at DMV for their input and
8 comments, and then we'll start executing that over the
9 next several months and working to implement that process.
10 But we do have much better data than we had three years
11 ago when we were trying to build it at that time.

12 And that concludes the director's report. I
13 appreciate your patience and time.

14 MR. HANSEN: Thank you, Mr. Wilson and staff.

15 Mr. Richards, I don't think we have anything
16 for executive session?

17 MR. RICHARDS: No, sir.

18 MR. HANSEN: Thank God. No actions.

19 Last but not least, public comment Reid Stacy.
20 Reid is the immediate past president of TAVTI, Dallas PD.

21 MR. STACY: Reid Stacy with Dallas PD. I
22 appreciate your time and I applaud you guys on your
23 energy, your effort. Any time the LBB and the Sunset come
24 back with positive shining stars, that's on you guys.
25 Everything y'all do is for us and we appreciate that.

1 As a Dallas police officer, last year I was
2 also the president of TAVTI, the Texas Association of
3 Vehicle Theft Investigators, and in that short year -- and
4 it was a short year, it flew by -- I felt like I was kind
5 of that guy that was in a forest fire, you've just got to
6 run, run, run, you never stop. Right? And now that my
7 time has lapsed and I'm past president, I kind of can
8 reflect back of some of the things that I knew that needed
9 to be challenged or dealt with, just didn't have the time.

10 And one of the main things that I had asked of
11 myself to address was -- as president you're also part of
12 the South Central Regional Chapter of IAATI, the Internal
13 Association of Auto Theft Investigators, and of that we're
14 a five member chapter, it's us, Texas, and then of course
15 we have Louisiana, Arkansas, Oklahoma and New Mexico. And
16 during all these years of being part of TAVTI, I've also
17 kind of noticed that our membership base, we're about 95
18 percent of the members, which we're a large state, we're a
19 large population, we carry a lot more auto theft crimes.

20 But at the same time, I know that our sister
21 states around us are key members with us combating auto
22 theft because if it's a vehicle it can be driven across
23 state just like it can be driven across the border. And
24 too many times in Texas I was calling Louisiana or
25 Arkansas and not really having the successes I had hoped

1 reaching out to other investigators because their time is
2 short, their resources are short, but also their knowledge
3 is short, and that's where I found more trouble is their
4 overall knowledge in the auto theft industry or the auto
5 theft gangs. And trends that we have up in Dallas I know
6 will eventually be over there in Arkansas and Louisiana,
7 especially on the VIN switching and cloning of vehicles.

8 With that said, I know that training is a very
9 large expense on departments and agencies, and last year I
10 utilized Fred Lohmann with NICB, he basically championed
11 us training in Louisiana and Arkansas. NICB already has a
12 budget and they were able to reallocate some of their
13 training in those other states.

14 In this past year I've had conversations with
15 Bryan and also with Dominic to ask, and now I'm standing
16 before the Board, is if TAVTI set up our annual conference
17 in a sister state, be it Louisiana, Arkansas, Oklahoma or
18 New Mexico, one of those states, every four to five years,
19 would the Board have an issue with a lot of your grantees
20 going to training. The grantees at that training would
21 still be receiving certified training, he's still
22 furthering his knowledge, but it's also strengthening us
23 as Texas investigators. You know, if I'm in El Paso, the
24 stronger that New Mexico investigators are, it's going to
25 strengthen El Paso also. No different in Lubbock or

1 Amarillo with the Oklahoma panhandle.

2 I know I asked Bryan specifically and he always
3 said he can't give that information but what I'm asking
4 you guys is to come together collectively and see if in a
5 small session y'all could talk about it. I understand
6 that it's up to the grantee to write in training, and that
7 would be no issue, the grantees themselves would have the
8 funds allocated, but what the issue was is if he says I'm
9 going to Shreveport in whenever, whatever year that that
10 conference is in Shreveport, that it was going to be
11 accepted and not declined, just solely because it was in
12 Shreveport versus Dallas.

13 And the underlying issue is a lot of times
14 we're about two years in advance. We sign contracts two
15 years in advance so we would have to know, okay, there's
16 not going to be any issue with the training in 2020 in
17 Shreveport if we wanted to go there because some of the
18 actual members wouldn't be declined just solely because
19 it's an out-of-state conference.

20 At no time would we ever look to do that every
21 year, maybe about every third or every fourth year.
22 Inside Texas we train investigators all day long, we have
23 Part I, Part II, we have Advanced, we have our annual
24 conference. NICB has upwards of five to six trainings,
25 but then you go to those outlying states and they have

1 zero, until now Fred Lohmann and NICB started training.

2 So that's why I see the necessity to get our
3 investigators, get our knowledge in those outlying states.
4 And we all know if I meet you and I speak to you and I ask
5 you for help, you help me. So the camaraderie, the
6 friendship is just a lot stronger. As a five person
7 family, if one person is strong and the other four are
8 weak, the whole family is weak, but if everybody can carry
9 their part, it benefits us all.

10 So in short, just to wrap up, I understand it's
11 Texas taxpayer funds but those Texas law enforcement
12 officers are coming back to work in Texas even if they're
13 gone for the four or five days.

14 Thank you, guys.

15 MR. HANSEN: Thank you, Reid.

16 This may be something, Linda, that the
17 Education and Legislative Committee might look at and come
18 back with recommendations to approve it. I agree with it.

19 I mean, it's right across the border. It would be
20 different if they were going across the country, but
21 that's not the case.

22 Do we have any other comments? Nothing anybody
23 else needs to sign up? Any Board members, any other
24 comments at the end of the day?

25 (No response.)

1 MR. HANSEN: Then I'd like to end with number
2 one, everybody keep in your thoughts. Again, I don't know
3 what 2019 is going to look like but we've already had two
4 or three officers shot and killed in just the last 24
5 hours in this country. That's unacceptable.

6 As far as our business is concerned, as y'all
7 know, we've got a new speaker of the house yesterday. I
8 can tell you that in the past speaker we had little or
9 zero communications with him. I'll just leave it at that.

10 The new speaker is very pro law enforcement, he's from
11 Brazoria County which is an area served by one of our task
12 forces. One of his new chiefs of staff going over there
13 is a gentleman that we've worked with very closely through
14 the years, Mr. Oscar Garza, with several other senators,
15 and he's very in tune with what every one of you do, so
16 that's going to be good.

17 I can't stress enough as we move forward that
18 everyone in here needs to work with our legislators, and
19 particularly once the appointments are made on House
20 Appropriations and Senate Finance are finalized, those are
21 going to be our key people.

22 And I personally would like to give
23 extraordinary thanks to the DMV and ABTPA staff, and thank
24 you for the task forces. Guys, we've had a large couple
25 of years with our money and you look at the stats that

1 Mary gave out a little while ago, and if you look at the
2 number of vehicles stolen in the state and look at the
3 number recovered just by this small elite group, it's
4 phenomenal, it's phenomenal. And I think more and more of
5 the legislators are beginning to recognize that, thank
6 God, for a change. And safe travels.

7 So do we have a motion for adjournment?

8 MS. HUNTER: I make a motion that we adjourn.

9 MR. HANSEN: Ms. Hunter.

10 Do we have a second? No? I guess we have to
11 stay.

12 (General laughter.)

13 MR. RODRIGUEZ: Second.

14 MR. HANSEN: You've got to be quick.

15 All right, guys. Thank you very much. Have
16 safe travels.

17 (Whereupon, at 12:17 p.m., the meeting was
18 adjourned.)

C E R T I F I C A T E

MEETING OF: TxDMV ABTPA Board

LOCATION: Austin, Texas

DATE: January 10, 2019

I do hereby certify that the foregoing pages,
numbers 1 through 135, inclusive, are the true, accurate,
and complete transcript prepared from the verbal recording
made by electronic recording by Nancy H. King before the
Texas Department of Motor Vehicles.

DATE: January 17, 2019

/s/ Nancy H. King
(Transcriber)

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