

TEXAS DEPARTMENT OF MOTOR VEHICLES

MOTOR VEHICLE CRIME PREVENTION AUTHORITY

GRANTS BUDGET and REPORTING (GBR)
COMMITTEE MEETING

Hilton Houston Post Oak by The Galleria
2001 Post Oak Boulevard
Houston, Texas 77056

and

via Microsoft Teams

1:06 p.m.
Wednesday,
December 6, 2023

COMMITTEE MEMBERS:

Julio Gonzalez, Chair
Rebecca Cantu-Serrano
Sharon Jones

STAFF:

Earl Pence, Interim MVCPA Director
David Richards, General Counsel

ON THE RECORD REPORTING
(512) 450-0342

I N D E X

<u>AGENDA ITEM</u>	<u>PAGE</u>
1. Roll Call and Establishment of Quorum	5
2. Pledges of Allegiance - U.S. and Texas	--
3. Comments and Announcements from Committee Chair, Committee Members, and MVCPA Director	none
4. Grant Management Tracking System (BRIEFING ITEM)	6
5. Consideration and Possible Approval of FLOCK MAG Grant Payments to Grantees (BRIEFING ITEM)	9
6. FY 2024 MVCPA Budget (BRIEFING ITEM)	29
7. Senate Bill 224 Plan of Operation (BRIEFING ITEM)	36
A. Meeting Budget Allocation	
B. Software Development Budget Allocation	
C. Partner State Agency's Resource Needs	
D. Grantee Resource Needs	
E. Funding Mechanism	
F. Meeting Frequency	
CLOSED SESSION	
8. The Committee may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code Chapter 551: Section 551.071 Section 551.074 Section 551.076 Section 551.089	none
9. Action Items from Closed Session	none
10. Public Comment	none
11. Adjournment	53

P R O C E E D I N G S

1
2 MR. GONZALEZ: My name is Julio Gonzalez, and I
3 am pleased to open the meeting of the Grants Budget and
4 Reporting Committee of the Board of the Motor Vehicle
5 Crime Prevention Authority.

6 It is now 1:07 p.m., and I am now calling the
7 Committee meeting for December 6, 2023, to order. I want
8 to note for the record that the public notice of this
9 meeting containing all items on the agenda was filed with
10 the Office of the Secretary of State on November 28, 2023.

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

16 I want to welcome those who are with us. Look
17 forward to today's Committee meeting. If you wish to
18 address the Committee or speak on an agenda item during
19 today's meeting, please complete a speaker sheet at the
20 registration table with Yessenia.

21 Please identify the specific item you are
22 interested in commenting on, your name and address, and
23 whether you are representing anyone or speaking for
24 yourself. If your comment does not pertain to a specific
25 agenda item, we will take your comment during the general

1 public comment portion of the meeting.

2 In accordance with the Department's
3 administrative rule, comments to the Committee will be
4 limited to three minutes. To assist each speaker, a timer
5 has been provided at the podium. The timer light will be
6 green for the first two minutes, yellow for one minute,
7 and red when your time is up.

8 Individuals cannot accumulate time from other
9 speakers. Comments should be pertinent to the issue
10 stated on the comment sheet. When addressing the
11 Committee, please state your name and affiliation for the
12 record.

13 There are a few things that will assist in
14 making the meeting smoother and assist the court reporter
15 in getting an accurate record. Please identify yourselves
16 before speaking. Speak clearly and slowly, and do not
17 speak over others, and please ask the Chairman for
18 permission to speak, and be sure to get recognized before
19 speaking.

20 I would like to thank our court reporter who's
21 transcribing this meeting.

22 Before we begin today, I'd like to remind all
23 presenters and those in attendance of the rules of conduct
24 at our Committee meetings. The Committee Chair has
25 authority to supervise the conduct of meetings. This

1 includes the authority to determine when a speaker is
2 being disruptive of the meeting, or is otherwise violating
3 the timing of presentation rules I just discussed.

4 The posted agenda stated that a quorum of the
5 MVCPA Board may be present at the meeting. However, Board
6 members who are not members of the Grants Budget and
7 Reporting Committee will not vote on any Committee agenda
8 items today nor will any Board action be taken.

9 I don't see any other Board members. All
10 right.

11 And now, we'll move on to Agenda Item 1, roll
12 call and establishment of quorum. I will call roll of the
13 Committee members. Please respond verbally when I call
14 your name.

15 Member Jones?

16 MS. JONES: (No audible response.)

17 MR. GONZALEZ: Member Cantu-Serrano?

18 MS. CANTU-SERRANO: (No audible response.)

19 MR. GONZALEZ: Then let the record reflect that
20 I, Julio Gonzalez, am here too. We have a quorum.

21 Moving on to Agenda Item 3, comments and
22 announcements from Committee Chair, Committee members, and
23 the MVCPA Director.

24 I will defer comments. Does the Director have
25 any comments to make?

1 (No response.)

2 MR. GONZALEZ: No? Committee members?

3 (No response.)

4 MR. GONZALEZ: No? Members comments, nay,
5 Director Pence, none? All right.

6 Moving on to the next agenda item. We will now
7 take up briefing-only items. Moving on to Agenda Item 4,
8 Grant Management Tracking System.

9 Members, we will now hear from Director Earl
10 Pence. Director Pence?

11 MR. PENCE: Good morning. Briefing only. This
12 is going to be -- the purpose of the executive summary is
13 for the Grant Management Tracking System, referred to
14 commonly as GMTS.

15 The background -- initially developed in 2017,
16 the Grant Management Tracking System, GMTS, is supported
17 and maintained by Texas A&M University. The online system
18 provides end-to-end reporting for the task force grants,
19 including the annual application process, financial and
20 progress reporting, and year-end close-out reporting.

21 The MAG grant is also administered via GMTS.
22 MAG grants, just in case -- we've got several different
23 MAG grants, grants that actually that are housed in the
24 GMTS system, rapid response strike force grants, MAG
25 grants, and the regular grant management grant system.

1 In March 2023, State Auditor's Office did a
2 report and rated MVCPA's IT system as high rank. SAO
3 found that MVCPA did not have policies and procedures in
4 place for administering the Grant Management Tracking
5 System.

6 The report outlined the following deficiencies
7 related to GMTS: 19 percent of the user accounts sampled
8 were former employees who still were found to have access
9 to the GMTS system. Excuse me. And while Texas A&M
10 University, which administers GMTS, was found to have
11 formal backup and recovery plans required by State
12 regulations, MVCPA lacked documented processes for
13 reviewing the backup and recovery plan or the progress
14 reports that are provided quarterly.

15 The third point on this is recommendation for
16 an individual with expertise in information technology to
17 review the aforementioned reports provided by Texas A&M.
18 This system -- anybody who knows IT and any kind of IT
19 strength, which I have very little -- every two years,
20 everything changes. Everything internally, everything
21 externally as far as just computerized, period, whether
22 it's phone, TV, whatever.

23 What we're looking at is we've got a system
24 that's been maintained at a cost of \$30,000 per year,
25 \$7,500 per quarter, with a \$5,000 additional development

1 request, making it \$35,000 a year to maintain GMTS, which,
2 in its present shape, if one of the task forces has
3 trouble accessing the system, it takes three days up to a
4 week to repair it, for them to get access.

5 Some of this stuff is time sensitive. They
6 have to have documents in the quarterly reports,
7 expenditures, you name it. And without that access,
8 without being able to access the system, if throws them
9 late, throws us late.

10 And bottom line: it's an operating system.
11 We're asking the Board to consider that we can go out and
12 resource, research, maybe find a new system. We have been
13 looking.

14 There are some possibilities, but we're still
15 looking into it. But making the Board aware that
16 especially with the Senate 224, which we're going to have
17 to also keep documents and records on, we also need a new
18 system for the grantees and the process thereof.

19 MR. GONZALEZ: All right. Thank you, Director
20 Pence.

21 Members, are there any questions for Director
22 Pence?

23 (No response.)

24 MR. GONZALEZ: Yessenia, are there any public
25 comments for this agenda item?

1 MS. BENAVIDES: No, sir.

2 MR. GONZALEZ: No other comments?

3 (No response.)

4 MR. GONZALEZ: All right. Hearing none, we
5 will move on to the next agenda item, consideration and
6 approval of certain payments for grantees. Member Dan
7 Price will present this agenda item.

8 MR. PRICE: Hi. For the record, this -- my
9 name is Dan Price. I am the auditor for the MVCPA.

10 During the closeout, as we know, the MAG grants
11 have all concluded as of August 31. It is a requirement
12 under State practice to close out all of the grants at the
13 end of the term.

14 During the processing of the grants, at the end
15 of the term, we were reviewing invoices, and there was a
16 large amount of disparity between different Flock
17 invoices, leading us to conclude that there were different
18 correct amounts to pay to different grantees for
19 essentially the same service.

20 When we delved into that a little bit further,
21 some of the grantees were pushing back on the
22 interpretations of the invoices. When we dug into it a
23 little bit further, we asked them for copies of agreements
24 that they had formed with Flock so we could better
25 understand the true nature of the payments. When we

1 started reviewing those, we realized that, in fact, the
2 grant had originally been approved for either the purchase
3 or lease of LPRs.

4 They were welcome to use any type of LPR that
5 they chose. We did not necessarily specify that. The
6 problem we were encountering at that time was specific to
7 the Flock invoicing and business model.

8 We determined that Flock neither leased nor
9 sold the equipment. So I reached out legal counsel, as
10 well as accounting expertise.

11 There's actually a relatively new year or two
12 old interpretation on what constitutes a lease. It's
13 1,268 pages long. I shared that with Mr. Richards, and
14 Mr. Richards indicated, you are correct.

15 What we've actually obtained from Flock is a
16 service. It is not a lease. There is a very strong legal
17 and accounting distinction between those two. It may be
18 subtle, but it's a very important distinction. There have
19 been companies, very large Fortune 100 companies, that
20 have actually had to close and be liquidated because they
21 were confusing the two.

22 So at that point, Mr. Richards advised that
23 since we not complying -- since the SGAs, which had been
24 signed, in fact were not complying with the requirements
25 of the grant as approved by the Board and this Committee

1 originally, that we needed to come back to the Board to
2 request approval since we believe everybody acted in good
3 faith, or at least all of our grantees did.

4 We felt that they probably should be entitled
5 to reimbursement, because it's not their fault that this
6 happened necessarily. And so we wanted to gain approval
7 from the Board to reaffirm those SGAs and those grants
8 that were issued, so we can move forward with paying and
9 liquidating those grants.

10 I've included a little bit of a technical
11 detail. Again, this is an extract from a 1,268-page
12 document. But I mean, hopefully folks understand there is
13 a difference between a service agreement and a lease
14 agreement.

15 But just to show where we're at and what the
16 progression of the MVCPA grants is, I prepared a graph,
17 which is on page 5 of your Committee meeting books. And
18 we started out with a total of 59 grantees that were
19 originally created in the GMTS system.

20 Fifty-two of those started applications.
21 Forty-three of those actually had the application
22 submitted and awarded. Thirty-five of those have started
23 expenditure reports. Thirty-four have had the expenditure
24 reports returned for various types of deficiencies.

25 Twenty-six have been reviewed. Thirteen of

1 those -- before we really knew this and for other vendors,
2 besides the one we're discussing, 13 of those had gotten
3 approved, and 12 were paid.

4 Now, to be honest with you, because the nature
5 of these relationships wasn't known and because under
6 federal statute as well as State requirements for contract
7 management, there are specific requirements for invoicing.
8 And so we paid in accordance with those State standards.

9
10 And I'm sorry to say that on those 12, which
11 have now been paid and closed out, we probably paid half
12 of those less money they were properly due because we did
13 not -- we followed the invoice and the payments on the
14 invoice, rather than the nature of the agreement.
15 Further, Flock included -- and part of the reason it took
16 so long to get this information, Flock included an NDA,
17 which again Mr. Richards can address.

18 But it's pretty much contrary to public
19 interest to have governmental contracts that nobody can
20 see. But at the same time, since those were agreed to by
21 the local jurisdictions, they had to go an approval
22 process to be able to allow us access so you can view the
23 agreements.

24 So that's what we're going to be presenting
25 tomorrow. And again, we're trying to let you know the

1 circumstances behind it and why we're seeking additional
2 approval from the Board to proceed with those payments.

3 With the blessing of the Chair, I would ask
4 David if he had any additional comments on this.

5 MR. RICHARDS: Mr. Chairman, members, what Mr.
6 Price has represented is accurate. Apparently, no one
7 knew -- Mr. Price or myself -- exactly how the LPRs were
8 being structured with respect to the grantees. They were
9 presented to the Board as being either a purchase or a
10 lease. No documents -- I never reviewed any documents or
11 was given any documents to look at.

12 And Dan started getting invoices and nothing
13 really kind of made sense. And that's when we started
14 conferring on the invoices. Had a very useful call with
15 Flock to find out what in fact was going on, what their
16 business model was.

17 And it's not a purchase. It's not a lease.
18 It's a subscription service that the grantees would be
19 dealing with.

20 So I recommended to Dan -- I said since the
21 methodology of approving these was flawed, that it be
22 brought to the Board to look at again. And I think
23 just -- this is me speaking personally -- I think it would
24 be unfair not to reimburse the grantees who, you know, we
25 represented -- we want you to go out and use this money

1 to use it for ALPRs. They did, and to not be reimbursed
2 just because of this business model snafu.

3 So I mean, that's all I care to offer. And any
4 questions, I'll be happy to answer.

5 MR. GONZALEZ: All right. So just to make sure
6 that I'm tracking -- so there's three types of, I guess,
7 goods or categories. There's a purchase, there's a lease,
8 and there's a service. Correct? The Board only
9 authorized for MAG grants purchases and leases?

10 MR. PRICE: That is correct.

11 MR. GONZALEZ: But we did not include services.

12 MR. PRICE: That is correct.

13 MR. GONZALEZ: Okay. So when we say services,
14 it's no different than when we pay for the cell phones of
15 task force officers?

16 MR. PRICE: That's -- well, when you're paying
17 for the monthly subscriptions --

18 MR. GONZALEZ: The minutes.

19 (Simultaneous discussion.)

20 MR. PRICE: Yes, sir. I mean, we buy cell
21 phones and then we get the service to connect them, but
22 yes, the service to connect them to the network. Yes,
23 sir.

24 MR. GONZALEZ: Okay. And so what we have done
25 is we've been able to pay partially, but not fully.

1 Because you need a Board vote to pay for the service
2 aspect of that.

3 MR. PRICE: That's correct.

4 MR. GONZALEZ: I mean, so it's no different
5 than if we're paying Verizon or reimbursing for Verizon
6 versus AT&T versus whatever.

7 MR. PRICE: It's essentially a formality. That
8 is --

9 MR. GONZALEZ: Okay.

10 MR. PRICE: -- correct. In order to clarify,
11 there's two more comments I would like to make. There's
12 two more comments I would like to make.

13 One is, is that in deference to a discussion
14 that was had in recent days, we've asked for copies of
15 agreements for other providers of LPR systems, and those
16 have been conveyed to Legal. And we're asking that this
17 be a broad approval so if we encounter similar situations
18 with these other providers, that it doesn't become a
19 hindrance to being able to process their payments as well.

20 The other thing I would like to say is that the
21 activity stopped because of the formality. However --

22 MR. GONZALEZ: The activity stopped?

23 MR. PRICE: The activity of paying these
24 people --

25 MR. GONZALEZ: Oh, okay, okay.

1 MR. PRICE: -- stopped, because we didn't have
2 approval. We didn't even -- you know, technically, these
3 aren't valid grants at this point because -- or we're not
4 able to act on them because what was provided was not
5 specified under the grant. So that payment activity
6 stopped.

7 So when this is approved, we will immediately
8 resume it. However, you know, we are now going to go
9 through the progression that we would normally go through
10 to process a payment and closure of the MAG grant.

11 We do have other scenarios which I think were
12 discussed again within the last few days where it appears
13 that some of our grantees are struggling to implement the
14 LPR systems because of restrictions from TxDOT and other
15 issues that are coming up. And there is a requirement
16 that these be operational before we can pay for them.

17 So unfortunately, we think that this process
18 will go out over an extended period, which is not normal
19 for us. So I just wanted to make you aware of those
20 situations as well.

21 So it's not like if we just approve this, we
22 pay everybody. We're still going to go through the
23 regular process and ensure that these are operational and
24 we're getting performance data before we pay them.

25 MR. GONZALEZ: So I would ask that staff take a

1 look to see if there any other categories of
2 reimbursements that we're just not aware of, and then
3 moving forward in the future, we can better craft our
4 agenda items and our grants so that we include, you know,
5 the eligible types of reimbursements that we have.
6 Because it sounds like this service is a relatively new
7 category. Is that about right?

8 MR. PRICE: Yes. Flock is going to speak to
9 it. They're very proud of their new business model. They
10 think it --

11 MR. GONZALEZ: But I'm saying, legally, from a
12 grant perspective, the service reimbursement is a new
13 category?

14 MR. PRICE: It certainly is for law enforcement
15 equipment.

16 MR. GONZALEZ: Okay.

17 MR. PRICE: It's an old practice in the IT
18 software space, but it is new to the law enforcement
19 equipment side of the house.

20 MR. GONZALEZ: I just don't want to be passing
21 any more grants and then all of a sudden there is rent
22 versus lease versus --

23 MR. PRICE: I agree.

24 MR. GONZALEZ: -- versus service versus
25 anything.

1 MR. PRICE: I think we're working a lot more
2 closely with Mr. Richards now, and I'm very supportive of
3 that. I think that, in the past, because we have
4 statutory authority to issue grants in our own name as
5 MVCPA, that a lot of that was done internally. And we
6 weren't necessarily getting a full review from the legal
7 side at DMV that perhaps would have benefitted us from
8 that -- or in that regard, because I think these would
9 have been caught up front.

10 So those were issued by people who have now
11 retired, and they may not have fully comprehended the
12 financial and legal aspects of those agreements when they
13 were issued.

14 MR. GONZALEZ: Members, any questions?

15 MS. JONES: Yes, sir. Sharon Jones, for the
16 record.

17 So Mr. Richards, my concern is, if they're
18 going to the task forces individually, how do we know it's
19 the same contract? And then I'm also concerned about
20 having to sign the NDAs. So how do we know that, when
21 they go to the Houston Task Force and then maybe
22 Montgomery or they go to West Texas, that the wording in
23 between is not the same?

24 MR. RICHARDS: Well, I mean, everything -- now,
25 and Dan, correct me -- everything that's gone out has the

1 wording of either a purchase or a lease. Correct?

2 MR. PRICE: Well, yes, that's true. Everything
3 that has gone out. But I'm not sure that we're answering
4 your question, so let me rephrase it, maybe.

5 So we are limited by resources, as well as the
6 NDAs and other things, to really dig into what every
7 grantee is doing every time. There are literally
8 thousands of transactions, just on our larger counties,
9 for supplies, telecommunication, equipment, all of the
10 things that are provided under the grant. We do not have
11 the capacity, and I've been told in the past, and it would
12 be up for discussion as to the propriety of us getting
13 into the level where we're trying to negotiate standard
14 agreements with all of these local jurisdictions.

15 So the answer is that if there is a problem
16 identified, we will devote the resources to try to
17 understand it and remediate it, as appropriate. But at
18 this point, we don't have the resources to be able -- or
19 again, the propriety to go in and talk to a lot of these
20 small towns, and say, excuse me, but before you sign that
21 agreement, I need to approve it, which is, I think, what
22 your concern is.

23 Now given that, again, because of the
24 subtleties here and because of the amount of confusion,
25 originally, I had requested to meet with the vendor to

1 discuss these inconsistencies to say, look, this is a
2 problem and this why it's a problem. And this is the
3 federal statute. And this is what you're supposed to be
4 doing, and this is why the federal statute applies.

5 Originally, for probably four months, I was
6 told that that was not our responsibility, and it was
7 improper for me to make that request, and no. When I
8 brought some of these issues to Mr. Pence, Mr. Pence said,
9 yes, that's a problem. We need to look into it. Went
10 again, reached out to David to do that.

11 So we have requested that vendor to come
12 tomorrow and present, you know, what they're going to do
13 and how they're going to fix this problem going forward,
14 as far as the inconsistencies go and the business model.
15 What is the difference between their business model, and
16 why are they are doing that?

17 I think it would be -- I think it probably
18 would be a good question for you to ask them tomorrow.
19 Because, again, these folks were listed under what's known
20 as SAM, which is a federal -- it's a very broad-spectrum,
21 federal procurement system. And there's a standard
22 federal contract that everybody under the federal contract
23 uses.

24 And I don't think it would be that much of a
25 reach to ask that that type of agreement be created for

1 anybody within the state of Texas. But again, I don't
2 want to interfere or be seen as interfering with DPS's
3 ability to go and get a Flock agreement. And they want to
4 renegotiate it, and little MVCPA over here is saying, no,
5 you have to include this or you have to include that and
6 then have DPS say, well, you know, we're our own agency
7 and we do our own thing.

8 So we have to do it with forethought and make
9 sure that we're not impacting other divisions of the State
10 of Texas that may utilize equipment from these suppliers.

11 MS. JONES: The NDA, why is that important?
12 With the NDA, it is -- what does the NDA prevent from
13 being disclosed? What is the nondisclosure about with the
14 NDA?

15 MR. PRICE: So again, us auditors tend to be
16 arrogant. We have some statutory authority, but we have
17 to be able to understand the nature of a transaction. And
18 if again there are red flags thrown up that say, there's a
19 problem with this transaction, we need to be able to
20 understand it.

21 What an NDA does is it tells the local
22 jurisdiction, this agreement is secret. It is not for
23 public consumption. It is not to be shared with the
24 public. It is not to be shared with anybody without our
25 prior written approval.

1 So when I go to a small grantee who may only
2 have 20 people in their government, a small city, who has
3 gotten an agreement, and I say, I need to see a copy of
4 that agreement because I don't understand what's going on
5 here, they say, I'm sorry, but I am legally bound to go
6 back to Flock to share that agreement.

7 MS. JONES: That's the point I'm making. Like,
8 we're the ones who are giving the money -- correct -- but
9 then we don't have access to the information? Am I -- is
10 that --

11 MR. RICHARDS: -- really just to attempt to
12 contact every governmental body in the State that might
13 want this service. Again, Dan touched on resources. I
14 mean, that's -- look at what we did as a Board.

15 What you did as a Board was say, we've got this
16 pool of money. We've ID'd a product. An LPR is something
17 that would benefit our law enforcement task forces and
18 others that aren't task forces.

19 What came out of that was a mechanism of, you
20 can go out. We'll give you the money to go purchase one,
21 or we'll give you the money to go lease one. All we're
22 dealing with today is broadening that scope to create a
23 subscription service, which we didn't know even was
24 possible or in existence at the time that you as a Board
25 started talking about issuing these grants.

1 So to get into the individual contracts of
2 individual jurisdiction, I would advise you not to go
3 there. We can give the money, and we can say what it's
4 for, and we can say that you can get it through a
5 subscription service, and that's pretty much about it. We
6 approve the invoices when MVCPA gets it, but the terms of
7 the contract, that's not something that we as a Board
8 should get involved with nor --

9 MS. JONES: That's what I'm asking. Is our job
10 to basically say, here's \$5,000. Do with it as you wish?

11 That's between your agency --

12 MR. RICHARDS: Well, not as you wish, but for
13 the LPRs.

14 MS. JONES: Right. Right.

15 MR. RICHARDS: But --

16 MS. JONES: So that's between the grantee's
17 agency and Flock?

18 MR. RICHARDS: Right, and their local
19 governmental entity. Exactly. Right.

20 MS. JONES: That's what I'm asking.

21 MR. RICHARDS: Or whichever. Yes. That's
22 correct.

23 MR. PRICE: Now, we set the parameters for what
24 we want as deliverables. So you need to set this up. You
25 need to operate it. You need to produce data.

1 You need to report on the results of this
2 activity to us. You need to be able to demonstrate the
3 payments were made. You know, those types of things.

4 And we certainly have an expectation and a
5 requirement that those things happen, but as far as the
6 actual operations of these agreements, again, we don't
7 have the ability to negotiate it. We have the choice to
8 say, you have not been able to demonstrate the compliance
9 with our grant requirements, and therefore I cannot pay
10 you, and in order for me to pay you, I need to see that
11 agreement.

12 And in theory, they have a potential legal
13 liability to the vendor if proprietary information is
14 disclosed to the public, which is being disclosed to the
15 public governmental entity. So they have the option to
16 say, I can't give you that. My agreement with the vendor
17 is that I am not allowed to give you that.

18 And then we have the authority to say, I'm
19 sorry, but until I have that, I can't pay you. That's the
20 way it would work in practical terms.

21 I mean, there could be lawsuits and all kinds
22 of crazy things, but --

23 MR. RICHARDS: No. The contract is between
24 them.

25 MR. PRICE: Right.

1 MS. JONES: Got it. Okay.

2 MR. GONZALEZ: I believe the spirit of what the
3 Board passed was: go forth and get LPRs. Either we call
4 them services, leases or purchases. And it's like GMTS.
5 GMTS now sounds like a service, but we don't -- you know,
6 when we say, pay for GMTS, we don't say pay for it only if
7 it's a lease, you know.

8 So we've got to pay these task forces, one way
9 or another.

10 MR. PRICE: And that's what we're asking, is
11 for the blessing to do that.

12 MR. GONZALEZ: Okay.

13 Members, any other questions?

14 MS. JONES: No, sir.

15 MR. GONZALEZ: Yessenia, are there any public
16 comments on this item?

17 MS. BENAVIDES: No, sir.

18 MR. GONZALEZ: All right. We will now move on
19 to Agenda Item 6, the MVCPA budget.

20 Dan Price?

21 MR. PRICE: So we're fortunate to have Glenna
22 Bowman from DMV here today. She's the CFO for the
23 Department of Motor Vehicles. She's the one who passes
24 through our budget from the Legislature and the
25 Comptroller to us to be able to utilize and function.

1 And I am proud to have her join me today to
2 talk about this. Just overall, there are several things
3 you're going to hear on the budget today. I want to make
4 sure we understand how we're going to cut them into bite-
5 sized pieces.

6 First, there is the overall budget status, and
7 those budget statuses for '23 and '24 are in your Board
8 book on page 6 and 7. I wanted to mention one thing or
9 just to refresh my own memory, but during the grant cycle
10 last summer, there were requests from our grantees for
11 money in excess of our budget.

12 And as such, the Board underwent deliberations
13 to determine how to best distribute that money. But a
14 decision was also taken that, in the past, we had held
15 back funds for contingency purposes, for example, when
16 there was a 10 percent cut during COVID, to be able to be
17 utilized in the event of unforeseen expenses and
18 circumstances.

19 The decision was taken that we really need to
20 give the grantees the maximum amount of money, you know,
21 so they can go fight the good fight, which is a fine thing
22 to do. We also indicated that there would be some money
23 that would be transferred from '23 to '24. And that
24 amount of money, as shown on page 7, has been broken out
25 as a separate line item by FAO for a benefit today, and

1 that's \$1,017,000.

2 However, so we had approximately 60,000 -- a
3 little bit more than 60,000 in administrative costs that
4 were unallocated from the original 2024 budget. And we
5 have this other million dollar bucket of money which, at
6 this point, is not allocated.

7 However, there's some things that Glenna wants
8 to enlighten us on. And at this point, I'm just going to
9 turn it over to her to let her continue the presentation.

10 MS. BOWMAN: Thank you. Good afternoon,
11 Chairman Gonzalez, Committee members. For the record, my
12 name is Glenna Bowman. I'm the Chief Financial Officer
13 for TxDMV.

14 And Dan has already mentioned that we have
15 three items that are budget-related. So before we talk
16 about each of those issues, I thought it would be helpful
17 to just review some context around the budget as a whole,
18 especially in light of the new funding for Senate Bill
19 224.

20 So as you may know or recall, in the General
21 Appropriations Act that was adopted by the 88th
22 Legislature, the MVCPA received funding for what I'm going
23 to call the base program. That's the program that's been
24 in place for a number of years. It does include the full
25 20 percent allocation from the insurance fees that are

1 received, which is different. That's an increased amount.

2 But that's just the base program.

3 And then we have SB 224 for the Catalytic
4 Converter Theft Prevention Program. These appropriations
5 are estimated, and that means, you know, the good news is,
6 if we collect more than what's estimated, then it's
7 appropriated to the authority. But it also means that if
8 we don't collect as much as projected, then the
9 Comptroller is authorized to reduce the appropriations.

10 So that gets back to Dan's point where we need
11 to make sure that we don't necessarily obligate the
12 Board -- doesn't necessarily obligate every single dollar,
13 because if we have unexpected things come up, where
14 revenues don't come in as we expected, we have a problem.

15 So we want to try to prevent that.

16 But along the base appropriation, again, as Dan
17 mentioned, we do have UB authority. That means if we've
18 got money left at the end of one fiscal year, in this
19 case, 2023, then we have the authority to carry that
20 forward to 2024. So the good news is if we do meet our
21 projections and we've held back a contingency, that money
22 is still available and can be awarded in a future period.

23 So it's not lost.

24 And the last point I just wanted to make is
25 that because the Legislature appropriated the amounts for

1 the base and 224 separately, then we have two separate
2 accounts that we have to use. So we can do allocations at
3 your direction, but we do have to account for them
4 separately.

5 And that's why, on the budget statement that's
6 on page 6 in your Board materials, you will see a couple
7 of line items in red at the bottom for salaries and
8 personnel and for grants for Senate Bill 224. Those are
9 the only two line items right now where money has been
10 allocated for 224, until additional decisions are made.
11 And the other items above that are for the base.

12 So do y'all have any questions about that?

13 (No response.)

14 MS. BOWMAN: Okay. Great. So moving on to
15 item 6.

16 The Board adopted the FY 2024 base budget
17 earlier this fiscal year. Now that we're three months
18 into the year, staff have evaluated spending for Board and
19 committee meetings and allocated estimates for your
20 conference next summer and other things that may be coming
21 up.

22 So it's my understanding that the Board has
23 expressed an interest in holding meetings across the
24 state, rather than just in Austin, so that you can be out
25 and about, which makes sense. But we are -- in light of

1 that, we are examining the budget for travel, meeting
2 space, and audiovisual support. Those are expenses that
3 have to be incurred if we move the meeting from our
4 headquarters in Austin.

5 So on page 6, you can see the AY 2024 budget.
6 I am going to make one little accounting explanation here.
7 And if it's too detailed, I apologize.

8 But I just want to clarify that AY means
9 appropriation year, versus a fiscal year, which is the
10 language you normally hear. The only difference between
11 the two: fiscal year runs from September 1 to August 31.

12 So does appropriation year. But for the
13 appropriation year, if you've obligated amounts for grants
14 or we've got contracts that carry over and haven't been
15 paid, as we move into '24, they're still going to
16 ultimately be paid out of '23, because that's the
17 appropriation year.

18 So that's how these statements are presented,
19 just FYI. So you'll always be able to see, here's what we
20 awarded and here's the total applied against it.

21 So back to page 6. If you look at the travel
22 line, the budget originally called for -- sorry. These
23 glasses are not working very well. Where's my travel
24 line?

25 Here we go. \$35,000. Now, it looks like we

1 have plenty of money left, because there are only
2 expenditures of about \$3,500. However, we're having this
3 meeting and there have been some other expenditures that
4 haven't processed through our accounting system yet.

5 We don't encumber those. We just record them
6 as they're paid. So we've basically used most of that
7 money already, three months into the year. So we need
8 authorization for additional funds.

9 So just to give you an idea on the past
10 expenditures, Board meetings in Austin for the cost that
11 we're talking about, they generally run around \$2,500
12 each, which could have been supported with the dollar
13 amount we had. When they're outside of Austin, it's about
14 four times that amount. And again, I think the meetings
15 can be great outside of Austin, but there is an additional
16 cost.

17 So again, we need your input and the input of
18 the full Board to kind of look at how many meetings are
19 going to be held through the rest of year and determine
20 where those meetings will be held so we can do some better
21 cost estimates.

22 So we realize you may not have all the answers
23 to those questions today, and that's okay. That's okay.
24 And what the Board staff is asking for is for approval to
25 add funds in the budget to cover the meetings, and

1 basically allow them to do that at the direction of the
2 Director of MVCPA.

3 And of course, the Board would be informed.
4 But in order to achieve y'all's objectives, if we base --
5 if we've got -- I've got a very conservative estimate.
6 We're recommending an amount not to exceed \$50,000.

7 It could be less than that, but until we have
8 more information on how many meetings and where it will be
9 held, by putting that amount in there, we don't have to
10 come back to the Board every time a budget adjustment
11 needs to be made.

12 So with that, I'll open it up for any questions
13 you may have.

14 MR. GONZALEZ: Okay. So when you say, A, an
15 amount, 50,000, is that in addition to the 35-, or is that
16 in addition -- or is that total?

17 MS. BOWMAN: No. It is in addition to --

18 MR. GONZALEZ: So we're talking --

19 MS. BOWMAN: -- the 35.

20 MR. GONZALEZ: -- a total of 85,000?

21 MS. BOWMAN: Yes.

22 MR. GONZALEZ: Okay.

23 MS. BOWMAN: Yes, sir.

24 MR. GONZALEZ: And on this, we had a little --
25 I mean, a little over \$2 million in available budget?

1 MS. BOWMAN: So we have a million dollars
2 that's carried forward, and about 60,000 that's not
3 planned already. The budget statement is not necessarily
4 very helpful for you, because there are other things that
5 are planned, but they haven't been -- we don't have a
6 contract for some of those things yet, or they haven't
7 been paid.

8 So according to Dan, there's about \$60,000
9 besides the million dollars carried forward.

10 MR. PRICE: For administrative. We actually
11 have some grants that were approved by the Board last
12 summer, and we're still waiting on paperwork from the
13 grantees. So those are not reflected in the commitments
14 here.

15 MR. GONZALEZ: So that million dollars is
16 not -- that million dollars is not necessarily a million
17 dollars extra.

18 MR. PRICE: Originally, you had talked about
19 2 million. There is probably about --

20 MS. BENAVIDES: Excuse me.

21 MR. PRICE: -- a million dollar --

22 MS. BENAVIDES: Your mic needs to be on, for
23 the record, just a reminder.

24 MR. PRICE: Sorry. Dan Price, for the record
25 again.

1 So there is approximately a million dollars at
2 this point. She had talked earlier about the potential
3 for all of the money that is then put in the budget to be
4 reduced if the revenue figures are not what we expected
5 them to be.

6 And so we've been trying to gain insight into
7 where we now believe -- given the current economic
8 circumstances and run rates, where we believe that number
9 will be. And based on what I had originally presented --
10 and I don't know if that was carried through the LBB. I
11 haven't been able to ascertain that yet.

12 But we had estimated a 3-1/2 percent growth
13 this year in fee collections. We are now believing, based
14 on the fact that interest rates have gone up and there
15 have been supply chain issues at the beginning of the
16 fiscal year which are now being resulted, but it seems
17 that automotive sales and registrations are down to the
18 point of -- an increase of 0.8 percent is what the DMV is
19 seeing in the number of registrations, year over year.

20 So instead of 3-1/2 percent, it's probably
21 going to correlate with registrations. We're now saying
22 that there's a likelihood it could be closer to
23 0.8 percent.

24 MR. GONZALEZ: Okay. But you're talking about
25 future, possible money. Am I right?

1 MR. PRICE: No. I'm talking about money that
2 has already been appropriated to us, but they have the
3 obligation --

4 MR. GONZALEZ: The million dollars?

5 MR. PRICE: In the past, we were funded in
6 arrears. After the money was collected, the appropriation
7 was made. At this point in time, they've said, no, we're
8 going to go ahead and fund you in advance, but if you do
9 not -- what she indicated was, if you do not -- you're not
10 able to collect all that revenue, we're going to reduce it
11 at the end of the year, right.

12 That's the full projected amount of the '24
13 original --

14 MS. BOWMAN: Right.

15 MR. PRICE: -- grant amount. That is correct.

16 MS. BOWMAN: So --

17 MR. PRICE: To that left --

18 MS. BOWMAN: -- [inaudible]?

19 MR. PRICE: No, because we still have grants
20 that haven't posted the caps.

21 MS. BOWMAN: But they're encumbered?

22 MR. PRICE: No.

23 MS. BOWMAN: Okay.

24 MR. PRICE: Sorry.

25 MS. BOWMAN: We have a -- I think the bottom

1 line is that, right now, there's about a million dollars
2 to draw from, whether it's coming from --

3 MR. GONZALEZ: Best estimate?

4 MS. BOWMAN: -- different -- best estimate, a
5 million dollars. Yes, that's the bottom line --

6 MR. GONZALEZ: I like that.

7 MS. BOWMAN: -- accounting.

8 MR. GONZALEZ: There's -- so there's a million
9 dollars. You need another 50?

10 MS. BOWMAN: Yes, sir.

11 MR. GONZALEZ: Got it.

12 Members, any questions?

13 (No response.)

14 MS. BOWMAN: Thank you for simplifying that.

15 MR. GONZALEZ: All right. Yessenia, are there
16 any questions on this item?

17 MS. BENAVIDES: No, sir.

18 MR. GONZALEZ: Hearing none, we will now move
19 on to the next briefing item, Senate Bill 224 and the Plan
20 of Operation. Agenda item 7.A., Meeting Budget.

21 MS. BOWMAN: Yes.

22 MR. PRICE: So at one point we had reviewed
23 each one of these bullet points as to who would present,
24 and I believe that me and Glenna will present 7.A. and
25 7.B. So because if -- should I proceed?

1 MR. GONZALEZ: Sure.

2 MR. PRICE: So for 7.a. First of all, just as
3 an overview, as she indicated, originally we had hoped
4 that all of the money would be grouped together so that we
5 would have one set of budgets, one set of operating
6 systems and everything else.

7 Again, the way it was given to us, it is two
8 chunks of money. We have catalytic convertor money and we
9 have task force money. That being said, there has been no
10 budget presented to the MVCPA Board for catalytic
11 convertor money. So we wanted to split that out.

12 We know we have some immediate needs. We've
13 got some deadlines coming up very quickly. And we already
14 had our first meeting in Dallas a couple of weeks ago.

15 I assume you all were there. And we need to be
16 able to pay for that meeting. So we're requesting budget
17 approval for a budget -- meeting budget allocation.

18 Originally, the presentation in your book was
19 done kind of on the back of an envelope type estimate.
20 And Glenna and her staff have gone in and been able to do
21 more thorough review of how much money looks like is
22 appropriate for each of those meetings.

23 We're estimating, based on a cadence which will
24 be discussed later in this presentation by Mr. Pence, that
25 there will be a total of five meetings to be covered this

1 year for Senate Bill 224 that we're attempting to fund,
2 and that's subject to change by the Board. And that
3 amount is \$5,465 per meeting. So if it's five times that,
4 it's going to be 21,000 and change.

5 I think we were asking for -- we were
6 originally back of the envelope, thinking it might be as
7 much as 100,000. Again, after it was rationalized, the
8 number of meetings came down, and the actual costs were --
9 we're doing better at negotiating those costs downward.

10 We're thinking somewhere in the name of 20,000
11 to 25,000 that we're asking for approval from the Board,
12 to be able to move forward so that we budget to pay for SB
13 224 meetings. So that is 7.A.

14 MR. GONZALEZ: Members, any questions?

15 (No response.)

16 MR. GONZALEZ: Yessenia, anybody else wish to
17 comment on Item 7.A.?

18 MS. BENAVIDES: No, sir.

19 MR. GONZALEZ: Hearing none, we will now move
20 on to Agenda Item 7.B., Dan Price -- Software Development
21 Budget Allocation.

22 MR. PRICE: Dan Price. So earlier, as Earl
23 mentioned earlier in this meeting, we are struggling with
24 this same GMTS system. We are having varied needs which
25 are very close to -- and a very concise timeline to be

1 able to provide support for SB 224 data collection and
2 funding and grant tracking.

3 We have had some preliminary discussions, which
4 are very preliminary at this point, as to whether or not a
5 contract resource could be obtained by TAMU to support an
6 additional grant type, to be added to the TAMU system,
7 because of the immediate need for that service to be
8 provided. We don't wish to invest much, if anything,
9 further into that system, but it is the quickest way that
10 we can have a chance of being able to meet those
11 requirements.

12 So we believe we can add a new grant to that
13 system, if the discussions are successful and the scope is
14 agreed to of \$30,000 or less, so not to exceed \$30,000, to
15 be able to create a kernel for software within the
16 existing system and to be able to support SB 224.

17 So we're requesting approval of \$30,000 for
18 software development budget.

19 MR. GONZALEZ: Service. Right?

20 MR. PRICE: So actually, it's an interesting
21 point you're bring up. And again, I --

22 MR. GONZALEZ: Well, I just don't want to have
23 come back, and you know, spend time with --

24 MR. PRICE: I spent time with Legal. And at
25 the time the contract was developed, I have had previous

1 State and private software implementation and negotiation
2 times. And the first question that was asked last week by
3 a specialist from the Legal department was: when you
4 negotiated this contract, did you negotiate ownership?

5 And the answer was, yes, I did. So we own that
6 software. We can't necessarily run it on anything, but we
7 do own the software.

8 So the next question was to go back to DMV and
9 say, do we have resources available? And the answer was,
10 we would probably have to go to DIR and seek additional
11 resources if we wanted to bring that in-house.

12 So in short, the answer is we own that
13 software. We are paying them to maintain the software,
14 and we will be paying them to do any development, but we
15 will own the development on the software as well.

16 And in theory, push came to shove, we can take
17 that software and move it to DIR. We could move inside of
18 DMV with their blessing and support. We would have to go
19 out and find somebody who still uses this language which
20 is, frankly, 20 years old at this point. Very few people
21 know what it is.

22 MR. GONZALEZ: How soon can the Grants
23 Committee get an update on our search for a new software
24 system?

25 MR. PRICE: To be able to manage an entire new

1 system?

2 MR. GONZALEZ: Well, to be able to manage SB
3 224 and the base? I would imagine -- I mean, it's going
4 to be the same.

5 MR. PRICE: I know. I just -- well, I just
6 want to make sure I'm clear.

7 MS. BOWMAN: That's going to be a longer
8 term --

9 MR. PRICE: So yeah. We really need to define
10 the scope and the system requirements. We do have some
11 requirements which are not consistent with other grant
12 programs throughout the state. We were on the Governor's
13 system previously when I first started, and we determined
14 that it was insufficient to meet MVCPA's needs.

15 And that has been proffered as an alternative
16 system that we could use. And there's a possibility we
17 could do that, but it's probably going to be six months to
18 a year, I would think, before we --

19 MR. GONZALEZ: Before we get an update?

20 MR. PRICE: No. Before we can have -- before
21 we can define what the requirements are, meet with DMV,
22 look at the security requirements raised by SAO, be able
23 to formulate agreements and contracts. And we can come
24 back to you and say, this is how much the new system is
25 going to cost and this is the timeline. And this is the

1 timeline that we're expecting it to take, to implement it,
2 and complete testing and approval on a new system.

3 MR. GONZALEZ: Chair calls Deputy Executive
4 Director, Roland Luna.

5 MR. LUNA: Good afternoon, Chairman, Board
6 members. Roland Luna, Deputy Executive Director, with
7 TxDMV.

8 I think the question that you're asking,
9 Chairman, is when you can be updated on progress?

10 MR. GONZALEZ: Yes.

11 MR. LUNA: Absolutely. Next Board meeting.

12 MR. GONZALEZ: You speak my language, Director.
13 Thank you.

14 MR. LUNA: Yes, sir. And to provide some
15 further context on what Dan was trying to explain is, he
16 was explaining the process that's involved with full
17 replacement of the grant management system, which would be
18 a lengthier process. But updating the existing system so
19 we can have the functionality built in for the tracking
20 mechanism for the data collection analysis and reportable
21 associated with SB 224, that is a lighter lift. And
22 that's something that we anticipate being able to be
23 completed sooner than later.

24 We'll have a better estimate during the next
25 Board meeting, but we will further engage our Information

1 Technology Division. And if needed, we can also have them
2 participate in the Board meeting so that you understand
3 the nuances of full replacement as well.

4 MR. GONZALEZ: Thank you, Mr. Director.
5 Members, any questions?

6 (No response.)

7 MR. GONZALEZ: Yessenia, are there any public
8 comments on this item?

9 MS. BENAVIDES: No, sir.

10 MR. GONZALEZ: Hearing none, we will now move
11 on to Agenda Item 7.C., Partner State Agency Resource
12 Needs. Earl Pence, Interim Director.

13 MR. PENCE: Thank you, Mr. Chairman. For the
14 record, my name is Earl Pence, and I'm the Director of
15 Motor Vehicle Crime Prevention Authority.

16 Yessenia passed out some handouts a while ago.

17 That is the latest, greatest Plan of Operation for Senate
18 Bill 224.

19 An update: as of last night -- this morning --
20 checked the clock -- since the workshop on November 20, we
21 have done a lot as far as getting ahead of the game. We
22 have actually checked with our partner, resources, DPS,
23 TDLR, and DMV.

24 DPS had already stated two full-time FTEs, as
25 well as a couple of analysts. That has since changed. As

1 of the other day, I received an email from Captain Bailey
2 [phonetic]. They have now -- Captain Bailey now requested
3 14 FTEs and two analysts.

4 He was back -- I think the original figure we
5 had was an off-the-cuff figure. Everybody's getting --
6 they're settling in, and they're starting to realize what
7 this is going to be.

8 We also received, as in your book on page 10 --
9 the Department of Motor Vehicles has requested five FTEs
10 and four vehicles. Their intent for those positions are
11 to go out and physically inspect salvage yards around the
12 state.

13 TDLR, we have not heard back from. Their
14 commanders are meeting this morning. There's some
15 opinions.

16 There was some conversation about TDLR. We
17 need to go back to them and kind of rework that a little
18 bit. But we will get back to you and update you with
19 that, as far as the next Board meeting.

20 And that is -- that's all I got. That's --
21 well, as you -- like, I said, in your book -- you can
22 refer to your book. But that was updating that.

23 MR. GONZALEZ: So Mr. Director, I've got a
24 question for you. In terms of grants --

25 MR. PENCE: Yes, sir?

1 MR. GONZALEZ: -- if we already know what DMV
2 and DPS are asking for --

3 MR. PENCE: Yes, sir?

4 MR. GONZALEZ: -- are we going to make it all
5 one process for everyone to be applying for SB 224 money?
6 I mean, to me, I'm kind of the opinion of get DMV going
7 and let's go -- let's --

8 MR. PENCE: We actually -- yes, sir.

9 In 7.E., the funding mechanism, we're not going
10 down to actual amounts, but how the funding will be
11 distributed. I think those -- we know really what the
12 needs are. Your bigger cities, the higher thefts, higher
13 crime rates.

14 And I think the original idea is come to the
15 Board and let them approve the amounts for what they're
16 requesting, if they can justify the amounts.

17 MR. GONZALEZ: Okay. So I guess my question
18 that I'm asking is, do we have to wait until we have one
19 big process and everyone gets theirs in at the same time?

20 MR. PENCE: No, sir. I think the original
21 intent is for everybody to start submitting at a certain
22 time and date to be announced. Start submitting what you
23 need, what your requirements are, what you're asking for.

24 MR. GONZALEZ: And so my thoughts are, since
25 DMV and DPS have already made it clear what it is what

1 they want, how do we move forward with getting them -- or
2 asking the Board consideration of their requests? How do
3 we get going on it?

4 MR. RICHARDS: Mr. Chairman?

5 MR. GONZALEZ: Yeah.

6 MR. RICHARDS: David Richards, General Counsel,
7 for the record. Mr. Chairman and members, we are looking
8 currently at the legal mechanism to make that funding
9 possible, whether it be an interagency agreement with our
10 partner agencies, most likely grants with the task force
11 agencies.

12 We're still starting that process and we'll get
13 it out as fast as we can. I don't know. We'll probably
14 have to check with Glenna, as well, on actual funding of
15 it, the mechanics of that.

16 So I mean, we have some due diligence on our
17 part at the DMV before funding comes out, but we
18 definitely can get back with this group and Board at our
19 meeting, if not sooner.

20 MR. GONZALEZ: The Chair calls Deputy Executive
21 Director of DMV, Roland Luna.

22 MR. LUNA: Good afternoon, again. Roland Luna,
23 DED with TxDMV.

24 Chairman, in the proposed plan, on the last
25 page of the plan, you can see where we have taken some

1 time to fully develop the funding mechanism. And if the
2 Board approves this version of the plan in whole or I
3 part, this would allow DMV to proceed with funding for our
4 partner state agencies, with one of the prescribed methods
5 that is outlined in the plan.

6 We still need to further develop what the grant
7 application and distribution process is going to look like
8 for grantees, but we envision using our existing grant
9 process as a starting point and tweaking it to fit the
10 needs for SB 224.

11 In the January meeting, if the Board chooses to
12 have one, we would have a further developed plan. It
13 could be adopted by the Board for distribution to the
14 grantees. But if this is adopted and approved tomorrow,
15 this would allow the agency to move forward with funding
16 to our Partner Agencies.

17 MR. GONZALEZ: That's exactly my question.
18 That's what I wanted to know. I wanted to be able to -- I
19 mean, I think it would be fantastic to be able to say that
20 we are getting started on time, you know, as we're
21 supposed to.

22 So fantastic work. Glad that this is going to
23 give you the mechanism that you need to -- so that we can
24 get going on this and know we're not delaying this any
25 further.

1 Members, any questions?

2 (No response.)

3 MR. GONZALEZ: Yessenia, are there any public
4 comments on this item?

5 MS. BENAVIDES: No, sir.

6 MR. GONZALEZ: All right. We'll move on to
7 the next item, Agenda Item 7.D., Grantee Resource Needs.
8 Director Earl Pence?

9 MR. PENCE: For the record, Interim Director
10 Earl Pence. Last week, after the workshop on 11/20, we
11 sent out a survey for resource needs to all the task
12 forces, all 24 task forces. Twenty of them responded.

13 And what we found originally during the
14 workshop is that three shared needs were license plate --
15 LPRs, license plate readers; prosecution; and additional
16 investigators and analysts. What we got returned from the
17 survey was that the number one priorities were motor
18 vehicle crime intelligence analysts, surveillance
19 equipment, and motor vehicle crime technology equipment.
20 Those all came in at 77 percent.

21 The second was the overtime for investigators.

22 That was second highest at 76.19 percent. The number
23 three concern was the additional law enforcement,
24 investigators and task forces. To address catalytic
25 convertors, at 68.18 percent.

1 What changed was the need for prosecution. It
2 came in at a medium priority. What we did through the
3 workshop for bigger agencies, not smaller agencies -- this
4 went out across the board. So it changed everything, not
5 dramatically or drastically, but it did change everything.

6 Also asked were the equipment needed. The
7 number one was automatic license plate readers, with 85.7
8 percent. Number two was surveillance equipment, and that
9 came in at 71.43 percent, as you can read in your book.

10 And number three was tracking devices,
11 65 percent. There's other -- thermal imaging cameras,
12 game cameras, other tracking devices, that came in at
13 lower percentages.

14 But in answer to your question earlier, our
15 resources needs are -- to our task force people. What do
16 they need? And I think this pretty well spelled out a
17 very clear picture.

18 Prosecution is still up there. We're not going
19 to let that go. As law enforcement, I mean, we need
20 prosecution. We need them on board.

21 So I think education of prosecutors, along with
22 all the -- everything else on a survey, is going to line
23 everything out.

24 MR. GONZALEZ: Members, any questions?

25 MS. JONES: Sharon Jones, for the record. No

1 question, but I am extremely pleased to see that you
2 included the entire task forces, collectively, so we can
3 make decisions for the entire state. And the fact that
4 you guys sent out a survey, I thought that was -- whoever
5 came up with that idea --

6 MR. PENCE: Three guesses --

7 (Simultaneous discussion.)

8 MS. JONES: So I -- the fact that we received
9 the input and we can move forward according to input. We
10 will make decisions.

11 MR. PENCE: Yes, ma'am.

12 MS. JONES: I love it. Great job.

13 MR. PENCE: We also -- I was going to
14 collection. What we're considering are the non-grantee
15 departments, Midland/Odessa. You look at the UCRs, the
16 crime rate is high. I know they're going to request some
17 funding.

18 And we kicked this around, myself, Deputy
19 Director Luna. And I think we're ready. All we're just
20 waiting for is that final little bit, and get this thing
21 kicked off.

22 We talked about that this morning. I think
23 we're going to reach out with a phone call, and express
24 concern that they need it. I looked at their Uniform
25 Crime Report, and they definitely -- they're in need.

1 It's economic. When the oil price and the oil
2 jobs go away, the crime rises. When they come back, the
3 crime goes down.

4 MR. GONZALEZ: Yessenia, are there any public
5 comments on this item?

6 MS. BENAVIDES: No, sir.

7 MR. GONZALEZ: All right. Hearing none, we
8 will now move on to the next agenda item, 7.F., Meeting
9 Frequency, by Interim Director Earl Pence.

10 MR. PENCE: I'm Director Earl Pence -- Interim
11 Director. We've stepped back and looked at the entire
12 picture of the meeting frequency, with partner state
13 agencies, no less than twice per month for six months.

14 I know there was an at least twice, but we'll
15 change it to no more than twice. That's partner agency
16 alone. Grantee, once a month for the first six months, to
17 be revisited.

18 I think the frequency with the grantees may be
19 more because there's going to be Q&A on when they start
20 submitting the -- what we hope to be a pared-down grantee
21 application for SB 224, not the entire -- as the motor
22 vehicle theft, because we already got their information
23 in-house. Let's pare it down.

24 We know who they are. They're not going
25 anywhere. And make it a quicker process. And then --

1 MS. JONES: [Inaudible].

2 MR. PENCE: Yes, ma'am?

3 MS. JONES: Repeat your frequency.

4 MR. PENCE: For grantees, once a month, and no
5 less than twice a month for partner agencies DPS, TDLR,
6 and DMV.

7 MR. GONZALEZ: Are these in person?

8 MR. PENCE: I think it's optional. In-person
9 teams, as long as the information gets relayed, is vital,
10 especially for the first six months. And it's -- that the
11 Board suggests in person, we can definitely do that.

12 MR. GONZALEZ: I'm going to just say, I cannot
13 meet, I mean, once or twice a month in person. So we'll
14 have to have that discussion with the Chairman of the
15 Board. We'll see about that tomorrow.

16 MR. PENCE: Yes, sir.

17 MR. GONZALEZ: Members, any other questions on
18 this item?

19 (No response.)

20 MR. GONZALEZ: Yessenia, are there any public
21 comments on this item?

22 MS. BENAVIDES: No, sir.

23 MR. GONZALEZ: All right. Hearing none, we
24 will now move on to Agenda Item 10, public comment.

25 Yessenia, are there any other public comments?

1 MS. BENAVIDES: No, sir.

2 MR. GONZALEZ: All right. We hear none.

3 Member, unless there's any other further business, I will
4 entertain a motion to adjourn the meeting.

5 MS. JONES: [Inaudible.]

6 MR. GONZALEZ: Member Jones makes a motion to
7 adjourn. Do I have a second?

8 MS. CANTU-SERRANO: I, Rebecca Cantu, second.

9 MR. GONZALEZ: Member Cantu seconds the motion.
10 The meeting is adjourned.

11 (Whereupon, at 2:13 p.m., the meeting was
12 adjourned.)

C E R T I F I C A T E

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

MEETING OF: MVCPA Grants Budget & Reporting Committee
LOCATION: Via Microsoft Teams
DATE: December 6, 2023

I do hereby certify that the foregoing pages, numbers 1 through 54, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Elizabeth Stoddard before the Texas Department of Motor Vehicles.

DATE: December 18, 2023

/s/ Adrienne Evans-Stark
(Transcriber)

On the Record Reporting
7703 N. Lamar Blvd. #515
Austin, Texas 78752