



Motor Vehicle Crime Prevention Authority

Board Meeting

Austin, Texas

February 22, 2023

4000 Jackson Avenue
Austin Texas, 78731
www.txwatchyourcar.com



AGENDA
BOARD MEETING
MOTOR VEHICLE CRIME PREVENTION AUTHORITY
TEXAS DEPARTMENT OF MOTOR VEHICLES
4000 JACKSON AVE., BUILDING 1, LONE STAR ROOM
AUSTIN, TEXAS 78731
WEDNESDAY, FEBRUARY 22, 2023
9:00 A.M.

Link to February 22, 2023, MVCPA Board Meeting Documents (under Calendar tab):
<https://www.txdmv.gov/about-us/MVCPA>

All agenda items are subject to possible discussion, questions, consideration, and action by the Board of the Motor Vehicle Crime Prevention Authority (Board). Agenda item numbers are assigned for ease of reference only and do not necessarily reflect the order of their consideration by the Board. Presentations may be made by the identified staff, Board member, or other personnel as needed. The Board reserves the right to discuss any items in closed session where authorized by the Open Meetings Act.

- 1. Roll Call and Establishment of Quorum**
- 2. Pledges of Allegiance - U.S. and Texas**
- 3. Chair's Reports** - Chairman Rodriquez
 - A. Approval of Transcript as Minutes (November 29, 2022) (ACTION ITEM)
 - B. Chair's Report
- 4. MVCPA Director's Report** - Joe Canady (including designated MVCPA and TxDMV staff) (BRIEFING ONLY)
 - A. Awards, Commendations, and Announcements
 - B. Personnel
 - C. Budget
 - D. Grant Activities and Analysis
 - E. Grant Adjustments
 - F. Educational Programs and Marketing
 - G. Assessment, Collection, and Refund Activities
 - H. Training
- 5. MVCPA Grants Budget and Reporting (GBR) Committee Report** - Joe Canady (including Committee Chair and designated staff) (BRIEFING AND ACTION ITEMS)
 - A. Grantee Presentations to GBR Committee (BRIEFING ONLY)
 - B. Budget Update for FY 2022 Unexpended Balance (BRIEFING ONLY)
 - C. Grantee Expenditure Review Process to ensure expenditures are

- allowable (BRIEFING ONLY)
- D. MVCPA Grantee Site Visits and Monitoring Update (BRIEFING ONLY)
- E. MVCPA Conference Update (BRIEFING ONLY)
- F. Process to increase Taskforce Grant Award for Conference Travel Expenses (ACTION ITEM)
- G. FY 2024 - 2025 Request for Applications (RFA) (ACTION ITEM)

6. State Auditor Engagement - Salem Chuah (BRIEFING ONLY)

7. Legislative Update - Keith Yawn and Glenna Bowman

- A. Legislative Appropriation Request (LAR) (BRIEFING ONLY)
- B. Full-time equivalent (FTE) Request (BRIEFING ONLY)
- C. Senate and House Bills (BRIEFING ONLY)

CLOSED SESSION

8. The Board may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code Chapter 551:

Section 551.071 - Consultation with and advice from legal counsel regarding:

- pending or contemplated litigation, or a settlement offer;
- a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Government Code Chapter 551; or
- any item on this agenda.

Section 551.074 - Personnel matters.

- Discussion relating to the appointment, employment, evaluation, reassignment, duties, discipline, and dismissal of personnel.

Section 551.076 - Deliberation Regarding Security Devices or Security Audits.

- the deployment, or specific occasions for implementation, of security personnel or devices; or
- a security audit.

Section 551.089 - Deliberation Regarding Security Devices or Security Audits.

- security assessments or deployments relating to information resources technology;
- network security information as described by Government Code Section 2059.055(b); or
- the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

9. Action Items from Closed Session

10. Public Comment

11. Adjournment

The Board will allow an open comment period to receive public comment on any agenda item or other matter that is under the jurisdiction of the Board. No action will be taken on matters that are not part of the agenda for the meeting. For subjects that are not otherwise part of the agenda for the meeting, Board members may respond in accordance with Government Code §551.042 and consider the feasibility of placing the matter on the agenda for a future meeting.

If you would like to comment on any agenda item (including an open comment under the agenda item for Public Comment), you must complete a speaker's form at the registration table prior to the agenda item being taken up by the Board.

Public comment will only be accepted in person. Each speaker will be limited to three minutes, and time allotted to one speaker may not be reassigned to another speaker

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify the department as far in advance as possible, but no less than two days in advance, so that appropriate arrangements can be made. Contact David Richards by telephone at (512) 465-1423.

I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements.

CERTIFYING OFFICIAL: David Richards, General Counsel, (512) 465-1423.

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Agenda Item: 1

Subject: Roll Call and Establishment of Quorum

| | Present |
|---|---------|
| Assistant Chief Mike Rodriguez – Governor Designated Presiding Officer Law Enforcement Representative – Laredo, TX | |
| Kit Whitehill – Governor Appointed Board Member Insurance Consumer Representative – Coppell, TX | |
| Rebecca Cantu-Serrano – Governor Appointed Board Member Insurance Consumer Representative – Brownsville, TX | |
| Charla Brotheron – Governor Appointed Board Member Insurance Writer Representative – Fort Worth, TX | |
| Dean Smith – Governor Appointed Board Member Insurance Writer Representative – North Richland Hills, TX | |
| Lieutenant Julio Gonzalez – Committee Chairman - Governor Appointed Board Member Law Enforcement Representative – Dallas, TX | |
| Major Sharon Jones – Ex Officio Member Designee for the Public Safety Director Texas Department of Public Safety | |



Agenda Item: 2

Subject: Pledges of Allegiance – U.S. and Texas



"I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all."

"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."



To: Motor Vehicle Crime Prevention Authority Board
From: MVCPA Staff
Agenda Item: 3.A
Subject: Approval of Transcripts as Minutes (November 29, 2022)

RECOMMENDATION

Action Item. Motion to approve the transcripts.

PURPOSE AND EXECUTIVE SUMMARY

MVCPA staff emailed the November 29, 2022, Board Meeting Transcripts to all MVCPA board members on February 16, 2023 for review.



To: Motor Vehicle Crime Prevention Authority Board
From: Joe Canady, Director
Agenda Item: 4. A
Subject: Awards, Commendations, and Announcements

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Governor Board Member Reappointments and Grant Personnel Retirements

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

Governor Greg Abbott has reappointed Miguel "Mike" Rodriguez and Patrick "Dean" Smith to the Motor Vehicle Crime Prevention Authority for terms set to expire on February 1, 2029. The Authority assesses the scope of motor vehicle crime in Texas and supports a statewide law enforcement network through grants, auto theft reduction initiatives, education, and public awareness.

Miguel "Mike" Rodriguez of Laredo is assistant chief of police for the Laredo Police Department. He is a member of the International Association of Chiefs of Police and the Texas Police Chiefs Association. Rodriguez received a Bachelor of Arts in Sociology from Texas A&M International University.

Patrick "Dean" Smith of North Richland Hills is manager of special investigations for the Texas Farm Bureau Insurance Company. He is a member of the International Association of Special Investigations Units and a former member of the Texas Association of Vehicle Theft Investigators. Smith received a Bachelor of Science in Agricultural Business from Tarleton State University.

David Rowton

- 29 years in Law Enforcement
- Texas Department of Criminal Justice 7 years
- Paris Police Department 22 years
- Northeast Auto Theft Task Force 12 years
- Served as the taskforce commander
- Retired March 1, 2023

James Lint

- San Antonio PD
- Commander of the San Antonio PD Auto Theft Taskforce
- Promoted to Captain

Jay Truelock

- Texas DPS Motor Vehicle Theft
- Texas DMV Enforcement
- Lubbock County District Attorney's Office
- Chief Investigator of the South Plains Auto Theft Taskforce
- Retired December 2022



To: Motor Vehicle Crime Prevention Authority Board
From: Joe Canady, Director
Agenda Item: 4.B
Subject: Personnel

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Reclassification of MVCPA positions and update on vacancy

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

The MVCPA Director coordinated with TxDMV Executive Team and Human Resources Division to reclassify the Law Enforcement Program Specialist position to a Manager IV. There were many qualified applicants, and the MVCPA is coordinating with TxDMV in completing the interview process to select a candidate who exhibits the knowledge, skills, abilities and collaboration that will become an asset to the division.

The MVCPA Director coordinated with TxDMV Executive Team and Human Resources Division to reclassify the Program Specialist position to a Management Analyst III. In addition to existing responsibilities, the position will function as a management analyst for MVCPA. Work will involve coordinating and implementing organizational studies and evaluations, reviewing systems and procedures, coordinating work simplification studies, conducting research and analysis, and reviewing operations and procedures manuals to assist management in operating more efficiently and effectively.



To: Motor Vehicle Crime Prevention Authority Board
From: Dan Price, Grant Auditor
Agenda Item: 4.C
Subject: Budget

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Update on FY23 budget status

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

The MVCPA budget primarily consists of grant funds which are distributed to law enforcement entities across the state to fund educational and safety programs related to automobile theft prevention. The division's operations involve monitoring the grants and assessing requests for reimbursements to grantees.

Through the end of December, the major expenditures are travel expenses and in Contract Services account for On the Record Reporting and Transcription services. Major encumbrances are in Grants account and in Rent Machine And Others account for Toshiba copier lease.

MOTOR VEHICLE CRIME PREVENTION AUTHORITY

Strategy B.2.1. Motor Vehicle Crime Prevention



The Motor Vehicle Crime Prevention Authority (MVCPA) previously known as the Automobile Burglary & Theft Prevention Authority (ABTPA) educates Texans on how to protect themselves from motor vehicle theft and awards financial grants to local law enforcement entities to curtail auto theft and burglary.

December 2022

FINANCIAL HIGHLIGHTS

FY 2023 BUDGET

| | | |
|------------------------|-----------|-------------------|
| Original Budget | \$ | 14,979,605 |
| Transfers | \$ | 105,368 |
| Adjusted Budget | \$ | 15,084,973 |

FY 2023 BUDGET STATISTICS

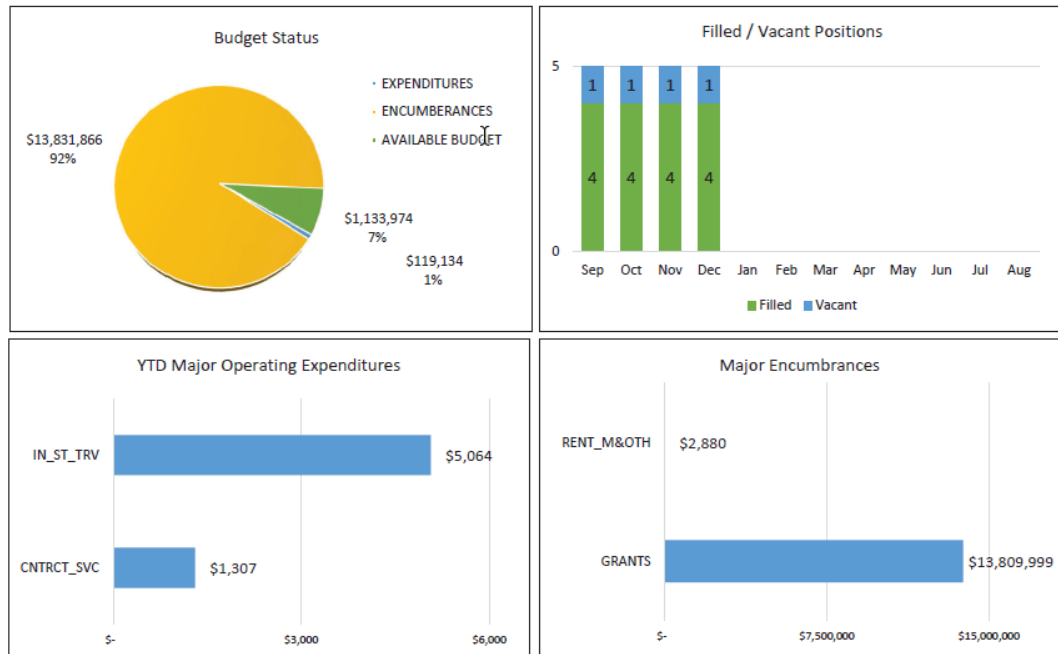
| | |
|----------------------|---------|
| % of Strategy Budget | 100.00% |
| % of Agency Budget | 7.28% |
| % Available Budget | 7.52% |

FY 2023 FTE & SALARY DATA

| | |
|---------------------------------------|------------|
| FTE Allocation | 5 |
| Salary & Related Budget ¹ | \$ 428,970 |
| % of Division Budget | 2.84% |
| YTD Lapsed Salary Budget ² | \$ 32,534 |
| Division Salary Surplus ³ | \$ - |

EXPENDITURE DATA

| | | |
|---------------------------|----|---------|
| YTD FY 2023 Expenditures | \$ | 119,134 |
| YTD FY 2022 Expenditures | \$ | 144,620 |
| Year-over-Year % variance | | -17.62% |



OPERATIONAL HIGHLIGHTS

The Motor Vehicle Crime Prevention Authority (MVCPA) will continue to be a stand-alone division governed by a separate Board of Directors. The budget primarily consists of grant funds (94%), which are distributed to law enforcement entities across the state to fund educational and safety programs related to automobile theft prevention. The division's operations involve monitoring the grants and assessing requests for reimbursements to grantees. Through the end of December, the major expenditures are travel expenses and in Contract Services account for On the Record Reporting and Transcription services. Major encumbrances are in Grants account and in Rent Machine and Others account for Toshiba copier lease.

¹Includes Salary, BRP (benefit replacement pay), and Other Personnel accounts

²Salary budget not utilized due to vacancies

³Annual amount by which the division's salary budget exceed actual salary expense



To: Motor Vehicle Crime Prevention Authority Board
From: Gresham Kay, Grant Specialist
Agenda Item: 4.D
Subject: Grant Activities and Analysis

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Analysis of the status of MVCPA Auxiliary and Taskforce Grants and grantee performance measures for fiscal year 2023.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

FY2022 MAG Grant

Based on Q1 progress reporting, the majority of the grantees were completing purchase and installation of the LPR equipment in late 2022 or early 2023. While some success stories have been reported, MVCPA anticipates more substantive data, such as stolen vehicles recovered in response to LPR alerts, to be reported in the Q2 Progress Report due in March.

MVCPA Taskforce Grants

Taskforce grants will complete Q2 of FY2023 at the end of the month. Staff is working with grantees to ensure all Standard and Special Conditions from the SGA are complied with, such as providing copies of prosecutor agreements. Below are the Statutory Performance Measures from FY2023 Q1:

| | | | |
|---------------|--|---|--------------|
| 1.1.15 | Increase the recovery rate of stolen motor vehicles recovered by taskforces | Number of vehicles | 3,117 |
| 1.1.16 | Increase the clearance rate of motor vehicle thefts | Number of motor vehicle theft cases cleared | 2,451 |
| 1.1.17 | Increase the number of persons arrested for motor vehicle theft | Number of persons arrested for motor vehicle theft by taskforces | 603 |
| 2.1.12 | Increase the clearance rate of motor vehicle burglaries | Number of burglary cases cleared | 715 |
| 2.1.13 | Increase the number of persons arrested for motor vehicle burglary | Number of persons arrested for burglary by taskforces | 143 |
| 8.1.1 | Increase the clearance rate of fraud-related motor vehicle crimes | Number of fraud-related motor vehicle cases cleared | 110 |

| | | |
|--------------|--|----|
| 8.1.2 | Increase the number of persons arrested for fraud-related motor vehicle crimes. Number of persons arrested for fraud-related motor vehicle crimes | 47 |
|--------------|--|----|

Other Performance Measures**FY2023 Q1**

| | | |
|---------------|---|-------|
| 1.1.10 | Number of stolen vehicles recovered in response to LPR alerts Number of vehicles recovered from LPR detection | 397 |
| 1.3.2 | Conduct 68(A) inspections (for TxDMV assignment or reassignment of VIN). Number of vehicles inspected to complete 68(A) inspections. | 7,168 |
| 4.1.2 | Inspect vehicles at bridge/port Number of vehicles inspected | 586 |



To: Motor Vehicle Crime Prevention Authority Board
From: Gresham Kay, Grant Specialist
Agenda Item: 4.E
Subject: Grant Adjustments

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Grant adjustment changes the terms of MVCPA contract with grantees. As such, the MVCPA director reports all requested modifications of grant awards to the MVCPA Board of Directors each meeting. The following grant adjustments were approved after the last board meeting on 11/29/2022.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

| Grant Program | Adjustment Type | Description | Budget Adjustment Total | Approval Date |
|------------------|-----------------|--|-------------------------|---------------|
| Harris County | Budget | Move \$3,018.95 from Program Income into Supplies/DOE for the purchase of VIN readers. | \$3,018.95 | 12/05/2022 |
| Potter County | Budget | Move \$24,940 from Supplies/DOE to Equipment, and introduce \$13,505 in Program Income to Equipment for the purchase of 2 Mobile Automatic License plate readers and Bait vehicle equipment. | \$13,505.00 | 01/10/2023 |
| City of Pasadena | Program | Program modification | | 02/03/2023 |

| | | | | |
|----------------|--------|---|--|------------|
| | | explanation of an open In-Kind investigator position not to be filled. | | |
| Tarrant County | Budget | Remove the rent line item from Supplies/DOE and adjust the source of cash match for Fringe. | | 02/17/2023 |

FY23: 3 Budget Change – 1 Program Change



To: Motor Vehicle Crime Prevention Authority Board
From: Gresham Kay, Grant Specialist
Agenda Item: 4.F
Subject: Educational Programs and Marketing

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Report on the MVCPA taskforce educational programs and marketing update.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

Social Media

MVCPA obtains information and communicate with grantees, stakeholders, and community members across the state using a variety of web-based and social media tools (Facebook, Twitter, MVCPA TxDMV website, and linking to taskforces across the state).

Before the holidays, MVCPA distributed press release through email channels and on Facebook reminding motorists to lock their vehicle and protect their valuables, which included a link to the MVCPA TxDMV webpage. So far in FY23, member taskforces have created 880 postings on social media outlets.

Public Education and Public Awareness (PEPA) Grant

Insurance Council of Texas' (ICT) and its media contractor, talkStrategy, provided a fall 2022 activity update related to the MVCPA Lock It Down Campaign. The enclosed Campaign Scorecard has statistics on the audience reached with the radio and social media advertisements. MVCPA will work with ICT and talkStrategy, as the project continues, and ICT collaborates with MVCPA Taskforces on campaign messaging.

Print and Marketing Media

MVCPA distributed promotional items and brochures to grantees, as well as place and receive orders for items. Grantees request promotional items as needed.

Education Materials Distributed to Taskforces and Other Law Enforcement

FY23 YTD

| Materials | Number |
|---|--------|
| Printed material (brochures and coloring books) | 8,320 |
| Promotional material | 4,895 |

MVCPA Lock It Down Campaign Performance Scorecard

Nov 17, 2022 - Jan 22, 2023



Views
1,841

Active Time on Screen
01:45:46

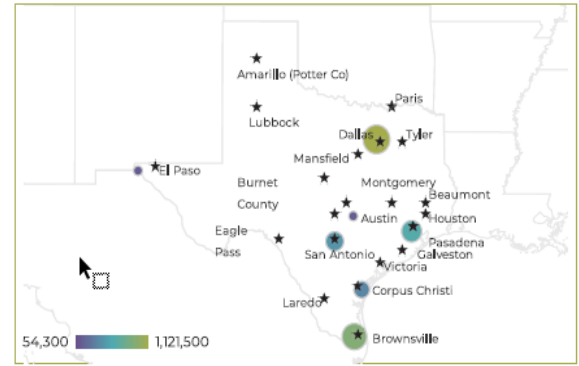
Sessions
1,636

Engagement rate
11%

Audio Impressions by City

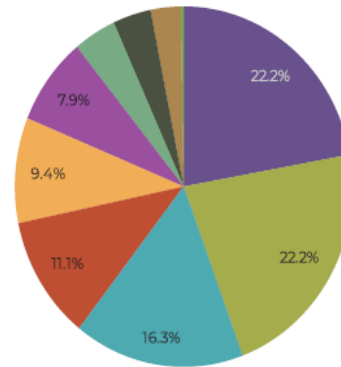
| | Market | Impressions |
|----|-------------------------------------|-------------|
| 1. | Dallas-Ft. Worth, TX | 1,121,500 |
| 2. | Harlingen-Weslco-Brownsville-McA... | 914,100 |
| 3. | Houston, TX | 625,000 |
| 4. | Waco-Temple-Bryan, TX | 550,200 |
| 5. | San Antonio, TX | 455,500 |
| 6. | Corpus Christi, TX | 368,100 |
| 7. | Austin, TX | 129,100 |
| 8. | El Paso (Las Cruces), TX | 120,200 |
| 9. | Beaumont-Port Arthur, TX | 54,300 |

Audio Impressions by City



★ Task Force Cities

Total Impressions by Placement



- BONUS - Smart Audio (Local Broadcast Radio with Digi...
- Smart Audio (Local Broadcast Radio with Digi...
- Social Media: Facebook & Instagram
- BONUS - iHM Mobile In-App Display
- Audience Based Display
- BONUS - Streaming Audio iHeart Radio & iHeart Extended...
- Social Media:...
- Audience Based Video...
- BONUS - Location Based Display
- others



To: Motor Vehicle Crime Prevention Authority Board
From: Dan Price, Grant Auditor
Agenda Item: 4. G
Subject: Assessment, Collection, Refund Activities

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Report on the MVCPA fee collections and activity related to non-filers, non-payors, and requests for refund.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

MVCPA works with the Texas Department of Insurance (TDI) to promote compliance with insurers that are licensed to sell motor vehicle insurance to file appropriate documents regarding the MVCPA fee.

Collections:

2020 Final List of Non-filers sent to TDI Sept 28, 2022

- 2 Warning Letters issued – One company paid, one filed Zero premium report (below).
- 2021 Second Non-filer letter sent Oct 18, 2022 – The Comptroller's Miscellaneous Tax Section provided update on first and second Non-filer letter on February 8th 2023. The TDI Request Letter is being prepared.
- The 2022 First Half Non-filer report due from CPA Insurance Tax Office was also received February 8th, 2023
 - Letters for First Half Non-Filers are being prepared.

TAC Rules – Needed for Non-filing Penalty

Refund Requests:

The following table represents the Insurance Companies that have requested a refund since the last MVCPA Board Meeting

| Insurance Company | Date of Refund Request | Amount of Request | Date of Review | Results |
|--------------------------------------|------------------------|-------------------|----------------|--|
| Agricultural Workers Mutual Auto Ins | 12/1/2022 | \$ 14,852.00 | 12/2/2022 | Requested proration to \$2.00 for amount due |
| Agricultural Workers Mutual Auto Ins | 11/17/2022 | \$ 14,852.00 | 11/18/2022 | No Liscence Number Provided |

From: Rachel Cloyd
To: Canady, Joe; Price, Daniel
Cc: Marianne Baker; Richards, David; Benavides, Yessenia
Subject: RE: 2020 Motor Vehicle Crime Prevention Authority Insurers that Failed to File Forms
Date: Wednesday, November 2, 2022 9:45:19 AM
Attachments: image001.png
image002.png
image003.png
image004.png

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Good morning Joe and Dan,
After reviewing the information you provided, TDI Enforcement will open investigations on these two companies. I will keep you informed on the outcome of these matters.

| Tax ID | Company Name |
|-------------|------------------------------|
| 13714065680 | ROCK RIDGE INSURANCE COMPANY |
| 15209761996 | BLACKBOARD INSURANCE COMPANY |

I have not received a response from Clarissa Rodriguez at the Comptroller's office regarding the questions I sent to her. For that reason, at this time we don't have sufficient information to consider investigating this company.

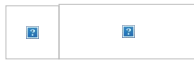
| Tax ID | Company Name |
|-------------|---|
| 32014466828 | QUALITAS COMPANIA DE SEGUROS S A DE C V |

After a review of TDI's records, we also cannot open investigations on the following companies for the reasons described below:

| Tax ID | Company Name | TDI's records show: |
|-------------|--|---|
| 12000731526 | GLOBAL HAWK INSURANCE COMPANY A RISK RETENTION GRP | Effective 6/28/2020, it was placed in liquidation in domiciliary state of Vermont. |
| 12012488156 | HOUSTON GENERAL INSURANCE EXCHANGE | Effective 6/10/2020, a rehabilitator was appointed and a permanent injunction was entered in Texas via agreed order. |
| 13008759592 | LAMORAK INSURANCE COMPANY | Effective 5/19/2022, Lamorak merged into Bedivere Insurance Company, which is Pennsylvania domiciled and where it is in liquidation/receivership. Also, the company's 2020 annual statement shows zero direct written premium for automobile lines of business. |
| 13409276980 | INFINITY AUTO INSURANCE COMPANY | The company's 2020 annual statement shows zero direct written premium for automobile lines of business. |
| 15215688316 | MAIDSTONE INSURANCE COMPANY | This New York domiciled company is in receivership/liquidation. |
| 15818061895 | INFINITY STANDARD INSURANCE COMPANY | The company's 2020 annual statement shows zero direct written premium for all lines of business. |
| 17460179512 | CAPSON PHYSICIANS INSURANCE COMPANY | Effective 2/11/2019, this Texas domiciled company is in receivership for rehabilitation. |
| 32050402414 | WINDHAVEN NATIONAL INSURANCE COMPANY | This Texas domiciled company is in liquidation/receivership/conservatorship. |
| 32062451045 | HOSPITALITY RISK RETENTION GROUP INC | This Vermont domiciled risk retention group did not file annual statements for 2020 or 2021. Last statement was Q3-2020 showing zero direct written premium. |
| 32071815867 | INSURANCE COMPANY OF THE SOUTH | The company's 2020 annual statement shows zero direct written premium for all lines of business. |
| 32075542673 | UNIVERSAL CASUALTY RISK RETENTION GROUP, INC. | The risk retention group's 2020 annual statement shows zero direct written premium for all lines of business. |

Please let me know if you have any questions.

Rachel A. Cloyd, CPCU
Litigation Director, Enforcement
Direct: 512-676-6349 | Fax: 512-490-1020



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From: Price, Daniel <Daniel.Price@txdmv.gov>
Sent: Wednesday, October 19, 2022 2:36 PM
To: Rachel Cloyd <Rachel.Cloyd@tdi.texas.gov>; Clarissa Rodriguez <Clarissa.Rodriguez@cpa.texas.gov>; Insurance Tax <insurance.tax@cpa.texas.gov>
Cc: Marianne Baker <Marianne.Baker@tdi.texas.gov>; Richards, David <David.Richards@txdmv.gov>; Price, Daniel <Daniel.Price@txdmv.gov>; Benavides, Yessenia <Yessenia.Benavides@txdmv.gov>; Canady, Joe <Joe.Canady@txdmv.gov>
Subject: RE: 2020 Motor Vehicle Crime Prevention Authority Insurers that Failed to File Forms

ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown or unexpected emails.

Hi Rachel,

Joe is away on business this week, so I will respond. I am including Clarissa from the CPA's office. The information provided to you came from the Comptroller of Public Accounts Insurance Tax office. I would ask Clarissa to confirm the information in her data base. You have all the correspondence with the addresses where we attempted to notify them.

Thank You,
Dan Price
MVCPA

From: Rachel Cloyd <Rachel.Cloyd@tdi.texas.gov>
Sent: Wednesday, October 19, 2022 12:16 PM
To: Canady, Joe <Joe.Canady@txdmv.gov>
Cc: Marianne Baker <Marianne.Baker@tdi.texas.gov>; Richards, David <David.Richards@txdmv.gov>; Price, Daniel <Daniel.Price@txdmv.gov>; Benavides, Yessenia <Yessenia.Benavides@txdmv.gov>
Subject: RE: 2020 Motor Vehicle Crime Prevention Authority Insurers that Failed to File Forms

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Hello Joe,

I am still reviewing this information, but came across something puzzling regarding the inclusion of Qualitas Compania de Seguros SA de CV (TDI license 95595, no NAIC ID) on your list. That company's mailing address is in Mexico City, Mexico and not San Diego, CA. The letter returned to MVCPA (screenshot below) indicates it was sent to a complaint address for an entirely different company: Qualitas Insurance Company (TDI license 95289) of San Diego, CA. The spreadsheet you provided me indicates that Qualitas Insurance Company (TDI license 95289, NAIC ID 14133) made its filings and payments. Also, our records don't appear to show any affiliation between the two companies.

Questions:

1. Was the inclusion of Qualitas Compania de Seguros SA de CV as a non-filer a mistake?
2. If not, did MVCPA make any attempts to contact Qualitas Compania de Seguros SA de CV at its Mexico City address?
3. Does MVCPA have any information to show that Qualitas Compania de Seguros SA de CV reported maintenance tax premium to the Comptroller (column M in the first sheet of the excel document you sent me, attached)?

Thanks,
Rachel

Rachel A. Cloyd, CPCU
Litigation Director, Enforcement
Direct: 512-676-6349 | Fax: 512-490-1020



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From: Rachel Cloyd
Sent: Monday, October 10, 2022 12:42 PM
To: Canady, Joe <Joe.Canady@txdmv.gov>
Cc: Marianne Baker <Marianne.Baker@tdi.texas.gov>; Richards, David <David.Richards@txdmv.gov>; Price, Daniel <Daniel.Price@txdmv.gov>; Benavides, Yessenia <Yessenia.Benavides@txdmv.gov>; EnforcementGeneral <EnforcementGeneral@tdi.texas.gov>
Subject: RE: 2020 Motor Vehicle Crime Prevention Authority Insurers that Failed to File Forms

Good afternoon Joe,
Thank you for sending this information to us. After I've had a chance to review, I'll be back in touch to let you know if we are able to open any investigations.
Have a good day,

Rachel A. Cloyd, CPCU
Litigation Director, Enforcement
Direct: 512-676-6349 | Fax: 512-490-1020



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From: Canady, Joe <joe.Canady@txdmv.gov>

Sent: Monday, October 10, 2022 12:32 PM

To: EnforcementGeneral <EnforcementGeneral@tdi.texas.gov>

Cc: Marianne Baker <Marianne.Baker@tdi.texas.gov>; Rachel Cloyd <Rachel.Cloyd@tdi.texas.gov>; Richards, David <David.Richards@txdmv.gov>; Price, Daniel <Daniel.Price@txdmv.gov>; Benavides, Yessenia <Yessenia.Benavides@txdmv.gov>

Subject: 2020 Motor Vehicle Crime Prevention Authority Insurers that Failed to File Forms

ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown or unexpected emails.

Good afternoon Texas Department of Insurance (TDI) Enforcement Division,

The Motor Vehicle Crime Prevention Authority (MVCPA) is providing the requested documentation for calendar year 2020. Per Texas Transportation Code 1006.153 (d) *the authority shall notify Texas Department of Insurance of any insurer that fails to pay the fee required by this section, and the Texas Department of Insurance may for that reason revoke the insurer's certificate of authority.* Due to insurers not filing the required biannual report we do not know if the insurer owes the MVCPA fee and we call these insurers non-filers.

Per TDI request the MVCPA will send a list of the non-filers to TDI at the email address, EnforcementGeneral@tdi.texas.gov. This notification must also include all evidence regarding the outstanding obligations by the remaining insurers, including:

- all letters, notices, and enclosures MVCPA sent to the insurer;
- all proof of mailing, fax confirmation, or email delivery;
- all responses received, if any;
- the Comptroller report;

For 2020 there were 14 non-filers (see table below).

| Tax ID | Name | Street Address | City, State, Zip | Date 2nd Letter Sent | Comments |
|-------------|---|--|----------------------------|---------------------------|--|
| 12000731526 | GLOBAL HAWK INSURANCE COMPANY A RISK RETENTION GRP | ONE MILL STREET, CHANCE MILL SUITE 324 | BURLINGTON VT 05401 | July 11, 2022 (Certified) | Returned (Return to Sender) |
| 12012488156 | HOUSTON GENERAL INSURANCE EXCHANGE | PO BOX 262005 | MIAMI FL 33126-0035 | July 11, 2022 (Certified) | Not picked up |
| 13008759592 | LAMORAK INSURANCE COMPANY | 1880 JOHN F KENNEDY BLVD STE 801 | PHILADELPHIA PA 19103-7443 | July 11, 2022 (Certified) | Received |
| 13409276980 | INFINITY AUTO INSURANCE COMPANY | PO BOX 830189 | BIRMINGHAM AL 35283-0189 | July 11, 2022 (Certified) | Received |
| 13714065680 | ROCK RIDGE INSURANCE COMPANY | 87 CALLE TABONUCO STE 912 | GUAYNABO PR 00965-3346 | July 11, 2022 (Certified) | Received |
| 15209761906 | BLACKBOARD INSURANCE COMPANY | 120 BROADWAY FL 17 | NEW YORK NY 10271-1797 | July 11, 2022 (Certified) | Returned (Return to Sender) |
| 15215688316 | MAIDSTONE INSURANCE COMPANY | 180 MAIDEN LN FL 15 | NEW YORK NY 10038-5150 | July 11, 2022 (Certified) | Received |
| 15818061895 | INFINITY STANDARD INSURANCE COMPANY | PO BOX 830189 | BIRMINGHAM AL 35283-0189 | July 11, 2022 (Certified) | Received |
| 17460179512 | CAPSON PHYSICIANS INSURANCE COMPANY | 11401 CENTURY OAKS TER STE 300 | AUSTIN TX 78758-8702 | July 11, 2022 (Certified) | Received |
| 32014466828 | QUALITAS COMPANIA DE SEGUROS S A DE C V | 101 W BROADWAY STE 1270 | SAN DIEGO CA 92101-8235 | July 11, 2022 (Certified) | Returned (Return to sender) |
| 32050402414 | WINDHAVEN NATIONAL INSURANCE COMPANY "RECEIVERSHIP (EMAILED)" | 325 JOHN KNOX RD | TALLAHASSEE FL 32303-4113 | July 11, 2022 (Certified) | Undelivered |
| 32062451045 | HOSPITALITY RISK RETENTION GROUP INC | 1605 MAIN ST STE 800 C/O RISK SERVICES | SARASOTA FL 34236-5823 | July 11, 2022 (Certified) | Received |
| 32071815867 | INSURANCE COMPANY OF THE SOUTH | 2350 PRINCE AVE STE 4 | ATHENS GA 30606-6039 | July 11, 2022 (Certified) | Undelivered (No access to delivery location) |
| 32075542673 | UNIVERSAL CASUALTY RISK RETENTION GROUP, INC. | 380 N BROADWAY STE 400 | JERICHO NY 11753-2109 | July 11, 2022 (Certified) | Received |

For item a, **Attachment 1** to this email is a copy of the letters sent to the non-filer insurers.

For item b, **Attachment 2** to this email is the returned signed green card or returned envelope. Letters are sent to the CPA address of record, the TDI address of record (if different from the CPA) and Attorney of Record, if applicable.

For item c, there has been no response received from any of the insurers.

For item d, **Attachment 3** is the final non-filer report received from the CPA on September 28, 2022.

Thank you for your attention to this matter and we would appreciate notification of any action taken against the insurer so that we may inform the Authority.

Thank you

JC
 JOE CANADY
 MVCPA Interim Director
 4000 Jackson Avenue
 Austin, Texas 78731
 Phone: (512) 465-1383
 Cell: (512) 695-9124



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November 30, 2022

Blackboard Insurance Company
Attn: Steven R. Harris, Deputy General Counsel
1271 Avenue of the Americas Fl. 37
New York, NY 10020-1303

Via Email: steven.harris@aig.com

RE: Warning Letter
TDI Enforcement Case No. 30912, Blackboard Insurance Company

Dear Mr. Harris:

Thank you for your November 18, 2022 correspondence and for updating Blackboard Insurance Company's (Blackboard's) physical address in TDI's records. TDI has concluded its investigation of Blackboard's compliance with the statutory requirement to pay fees to the Motor Vehicle Crime Prevention Authority (MVCPA) for motor vehicle and automobile insurance policies written and renewed in calendar year 2020.

During the investigation, Blackboard provided documentation to TDI to show subsequent filing of the assessment information forms, including an amendment, with the Comptroller of Public Accounts (Comptroller) and payment of the fees for calendar year 2020.

In addition, Blackboard represented to TDI that it wrote no motor vehicle or automobile policies subject to the fees in either calendar year 2021 or in the first half of calendar year 2022. Blackboard also provided documentation to TDI to demonstrate it has since filed those assessment information forms with the Comptroller to report no fees were due for those time periods.

After a thorough consideration of these findings and subsequent events, staff has agreed to resolve this matter by issuing this warning letter. Therefore, Blackboard is warned and advised:

1. Payment of MVCPA/ABTPA fees is required by TEX. TRANSP. CODE § 1006.153, and TDI may revoke an insurer's certificate of authority for failing to pay those fees. The fee must be paid not later than:

- March 1 of each year for a policy delivered, issued, or renewed from July 1 through December 31 of the previous calendar year; and
 - August 1 of each year for a policy delivered, issued, or renewed from January 1 through June 30 of that year.
2. Pursuant to 43 TEX. ADMIN. CODE § 57.48, insurers must use the forms adopted by reference to report the assessment information to the Comptroller. The forms direct payment of the fees to the Comptroller, and state that a report must be filed even if no fee is due. Information about reporting, the forms, and making payments is found on the Comptroller's website.
 3. Any future complaints against Blackboard will be carefully reviewed by department staff.
 4. This warning letter can be considered in determining appropriate sanctions if the department takes action against Blackboard in the future.
 5. This warning letter pertains solely to the closure of Enforcement's case number 30912 against Blackboard. This warning letter does not address or impact other pending Enforcement actions, proceedings, investigations, or cases. It should not be considered as approval of Blackboard's conduct or a conclusion that it did not violate insurance laws.
 6. This warning letter does not address or impact other department sections' and divisions' actions, proceedings, examinations, investigations, or duties.
 7. This warning letter does not limit the authority of the commissioner of insurance or the department to initiate any administrative, civil, or criminal proceeding; take any action; seek any remedy; or pursue any right, examination, investigation, or other action authorized by law.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Rachel A. Cloyd

Rachel A. Cloyd, CPCU
Litigation Director, Enforcement
Texas Department of Insurance
Direct: (512) 676-6349 | Fax: (512) 490-1020
rachel.cloyd@tdi.texas.gov

cc: Motor Vehicle Crime Prevention Authority (*via email to:* joe.canady@txdmv.gov
and daniel.price@txdmv.gov)



PO Box 12030 | Austin, TX 78711 | 800-578-4677 | tdi.texas.gov

January 6, 2023

Rock Ridge Insurance Company
Attn: Amanda Miljenovic and Axel Galan
B7 Tabonuco Ste 912
Guaynabo, PR 00968

Via Email Only:
amiljenovic@cbinsgroup.com
agalan@cbinsgroup.com

RE: Warning Letter
TDI Enforcement Case No. 30911, Rock Ridge Insurance Company

Dear Ms. Miljenovic and Mr. Galan:

Thank you for your December 2022 correspondence and for making updates to some of Rock Ridge Insurance Company's (Rock Ridge's) addresses in TDI's records, including its mailing address and physical location.

However, please note our records still show the contact information for the prior owner of Rock Ridge under the address type "Complaint Contact Address" and a few other address types. Rock Ridge should contact TDI's Company Licensing staff at CompanyLicense@tdi.texas.gov for instruction on how to update the complaint address type and any others types that are not current.

Nevertheless, TDI has concluded its investigation of Rock Ridge's compliance with the statutory requirement to pay fees to the Motor Vehicle Crime Prevention Authority (MVCPA) for motor vehicle and automobile insurance policies written and renewed in calendar year 2020.

During the investigation, Rock Ridge provided documentation to TDI to show subsequent filing of the assessment information forms with the Texas Comptroller of Public Accounts (Comptroller) and payment of the fees for calendar year 2020.

After a thorough consideration of these findings and subsequent events, staff has agreed to resolve this matter by issuing this warning letter. Therefore, Rock Ridge is warned and advised:

1. Payment of MVCPA fees is required by TEX. TRANSP. CODE § 1006.153, and TDI may revoke an insurer's certificate of authority for failing to pay those fees. The fee must be paid not later than:

- March 1 of each year for a policy delivered, issued, or renewed from July 1 through December 31 of the previous calendar year; and
 - August 1 of each year for a policy delivered, issued, or renewed from January 1 through June 30 of that year.
2. Pursuant to 43 TEX. ADMIN. CODE § 57.48, insurers must use the forms adopted by reference to report the assessment information to the Comptroller. The forms direct payment of the fees to the Comptroller, and state that a report must be filed even if no fee is due. Information about reporting, the forms, and making payments is found on the Comptroller's website.
 3. Under 28 TEX. ADMIN. CODE § 1.1302(c) all regulated persons, including insurers, must provide an email address that is designated for receipt of official TDI communications, unless excepted under subsection (e). Regulated persons should provide the email address as specified on TDI's website. If communications may no longer be received at the designated email address, the insurer must notify the department and designate a new email address within 10 business days.
 4. Any future complaints against Rock Ridge will be carefully reviewed by department staff.
 5. This warning letter can be considered in determining appropriate sanctions if the department takes action against Rock Ridge in the future.
 6. This warning letter pertains solely to the closure of Enforcement's case number 30911 against Rock Ridge. This warning letter does not address or impact other pending Enforcement actions, proceedings, investigations, or cases. It should not be considered as approval of Rock Ridge's conduct or a conclusion that it did not violate insurance laws.
 7. This warning letter does not address or impact other department sections' and divisions' actions, proceedings, examinations, investigations, or duties.
 8. This warning letter does not limit the authority of the commissioner of insurance or the department to initiate any administrative, civil, or criminal proceeding; take

Rock Ridge Insurance Company

January 6, 2023

Page 3

any action; seek any remedy; or pursue any right, examination, investigation, or other action authorized by law.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Rachel A. Cloyd

Rachel A. Cloyd, CPCU
Litigation Director, Enforcement
Texas Department of Insurance
Direct: (512) 676-6349 | Fax: (512) 490-1020
rachel.cloyd@tdi.texas.gov

cc: Motor Vehicle Crime Prevention Authority
(via email to: joe.canady@txdmv.gov and daniel.price@txdmv.gov)



To: Motor Vehicle Crime Prevention Authority Board
From: Joe Canady, Director
Agenda Item: 4.H
Subject: Training

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Motor Vehicle Crimes training presentations during the first and second quarter of FY2023.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

MVCPA staff, TxDMV staff, and grant program personnel conducted five training events since December 2022 which resulted in more than 160 officers receiving training related to motor vehicle crimes. MVCPA assisted in the development of training specifically related to the TxDMV Temporary Tag redesign. Staff shortages have delayed scheduling of MVCPA Intermediate and Advanced Motor Vehicle Crime Training. We anticipate two to three Intermediate, and one to two Advanced classes will be scheduled this year.

- Dallas PD (MVCPA-TxDMV)
 - TxDMV Temporary Tag Redesign
 - TxDMV eTag Uses and Requirements
 - MVCPA Resources and Moto Vehicle Crime Trends
 - Fraudulent Titles
- Galveston County SO (MVCPA)
 - TxDMV Temporary Tag Redesign, eTag Uses and Requirements
 - MVCPA Resources and Moto Vehicle Crime Trends
- Kerr County SO (MVCPA)
 - TxDMV Temporary Tag Redesign, eTag Uses and Requirements
 - MVCPA Resources and Moto Vehicle Crime Trends
- Laredo PD (MVCPA)
 - TxDMV Temporary Tag Redesign, eTag Uses and Requirements
 - MVCPA Resources and Moto Vehicle Crime Trends
- DFW
 - Vehicle Finance Fraud Training in conjunction with the North Texas Auto Show. (Houston PD)



To: Motor Vehicle Crime Prevention Authority Grants Budget and Reporting Committee
From: Julio Gonzalez, Grants, Budget, and Reports Committee Chair / Joe Canady, Director
Agenda Item: 5.A
Subject: Grantee Presentations to GBR Committee

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Updates from Taskforce Grants on what aspects of their grant is working well, what challenges the grantee is presented with in operating the grant, and what the program needs to maintain a positive impact in in combatting motor vehicle crimes. Presentations from Laredo, Corpus Christi, and Lubbock.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

Grantees were provided with standard questions to be answered about their grant program. MVCPA prepared a document consisting of performance data reported to MVCPA in progress reports, public data from TxDPS, and public data from the Texas Courts system.

Laredo Performance and Public Data

| Motor Vehicle Theft (MVT) Data - Grantee Report to MVCPA in GMTS | | | | | | |
|--|---|---------|---------|---------|---------|-------------|
| Grant Report ID # | Activity | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 YTD |
| 1.1.15 | Number of stolen motor vehicles recovered by taskforce | 188 | 133 | 123 | 199 | 45 |
| 1.1.16 | Report the number of MVT cases cleared | 157 | 98 | 77 | 104 | 23 |
| 1.1.17 | Number of persons arrested for motor vehicle theft by taskforce | 86 | 54 | 35 | 67 | 14 |
| 1.1.4 | MVT related cases presented to prosecutor | 77 | 80 | 48 | 112 | 14 |

| Motor Vehicle Theft - DPS Data reported by Laredo PD | | | | | |
|--|------|------|------|------|----------|
| Classification | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
| Motor Vehicle Theft | 261 | 215 | 214 | 273 | 17 |

| Motor Vehicle Theft – Texas Courts Data for Lubbock County and Participating Agency Counties | | | | | |
|--|------|------|------|------|----------|
| Activity | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
| Filed by Indictment or Information | 42 | 100 | 60 | 31 | 0 |
| Other Cases Reaching Docket | 50 | 52 | 82 | 53 | 7 |
| Total cases added: | 92 | 152 | 142 | 84 | 7 |
| | | | | | |
| Total Convictions | 21 | 14 | 34 | 18 | 1 |

| Burglary of a Motor Vehicle (BMV) Data - Grantee Report to MVCPA in GMTS | | | | | | |
|--|---|---------|---------|---------|---------|-------------|
| Grant Report ID # | Activity | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 YTD |
| 2.1.12 | Number of BMV including parts cases cleared | 135 | 163 | 149 | 127 | 33 |
| 2.1.13 | Number of persons arrested for BMV including parts by taskforce | 117 | 105 | 65 | 103 | 25 |
| 2.1.7 | BMV related cases presented to prosecutor | 92 | 74 | 95 | 160 | 34 |

| Burglary of a Motor Vehicle - DPS Data reported by Laredo PD | | | | | |
|--|-------|------|------|------|----------|
| Classification | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
| FROM MOTOR VEHICLES | 930 | 792 | 710 | 614 | 48 |
| MOTOR VEHICLE PARTS AND ACCESSORIES | 202 | 157 | 165 | 120 | 13 |
| TOTAL: | 1,132 | 949 | 875 | 734 | 61 |

Corpus Christi Performance and Public Data

| Motor Vehicle Theft (MVT) Data - Grantee Report to MVCPA in GMTS | | | | | | |
|---|---|----------------|----------------|----------------|----------------|--------------------|
| Grant Report ID # | Activity | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 YTD |
| 1.1.15 | Number of stolen motor vehicles recovered by taskforce | 826 | 747 | 810 | 754 | 184 |
| 1.1.16 | Report the number of MVT cases cleared | 317 | 302 | 237 | 297 | 75 |
| 1.1.17 | Number of persons arrested for motor vehicle theft by taskforce | 158 | 149 | 152 | 146 | 35 |
| 1.1.4 | MVT related cases presented to prosecutor | 158 | 168 | 94 | 133 | 53 |

| Motor Vehicle Theft - DPS Data reported by Corpus Christi PD | | | | | | |
|---|-------------|-------------|-------------|-------------|-----------------|--|
| Classification | 2019 | 2020 | 2021 | 2022 | 2023 YTD | |
| Motor Vehicle Theft | 896 | 885 | 1,024 | 839 | 78 | |

| Motor Vehicle Theft – Texas Courts Data for Nueces County | | | | | |
|--|-------------|-------------|-------------|-------------|-----------------|
| Activity | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
| Filed by Indictment or Information | 116 | 101 | 139 | 116 | 0 |
| Other Cases Reaching Docket | 180 | 140 | 162 | 143 | 0 |
| Total cases added: | 296 | 241 | 301 | 259 | 0 |
| | | | | | |
| Total Convictions | 40 | 18 | 27 | 31 | 0 |

| Burglary of a Motor Vehicle (BMV) Data - Grantee Report to MVCPA in GMTS |
|---|
|---|

| Grant Report ID # | Activity | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 YTD |
|----------------------------------|--|--------------------|--------------------|--------------------|--------------------|----------------------------|
| 2.1.12 | Number of BMV including parts cases cleared | 313 | 217 | 115 | 134 | 40 |
| 2.1.13 | Number of persons arrested for BMV including parts by taskforce | 104 | 81 | 66 | 71 | 19 |
| 2.1.7 | BMV related cases presented to prosecutor | 186 | 127 | 52 | 96 | 37 |

| Burglary of a Motor Vehicle - DPS Data reported by Corpus Christi PD | | | | | |
|---|--------------|--------------|--------------|--------------|---------------------|
| Classification | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
| FROM MOTOR VEHICLES | 3,023 | 2,902 | 2,327 | 2,187 | 257 |
| MOTOR VEHICLE PARTS AND ACCESSORIES | 298 | 538 | 835 | 806 | 45 |
| TOTAL: | 3,321 | 3,440 | 3,162 | 2,993 | 302 |

Lubbock Performance and Public Data

| Motor Vehicle Theft (MVT) Data - Grantee Report to MVCPA in GMTS | | | | | | |
|---|---|----------------|----------------|----------------|----------------|--------------------|
| Grant Report ID # | Activity | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 YTD |
| 1.1.15 | Number of stolen motor vehicles recovered by taskforce | 162 | 178 | 226 | 199 | 45 |
| 1.1.16 | Report the number of MVT cases cleared | 84 | 106 | 44 | 112 | 25 |
| 1.1.17 | Number of persons arrested for motor vehicle theft by taskforce | 27 | 46 | 26 | 67 | 20 |
| 1.1.4 | MVT related cases presented to prosecutor | 40 | 61 | 30 | 67 | 20 |

| Motor Vehicle Theft - DPS Data reported by Lubbock County SO, Lubbock PD and Participating Agencies | | | | | |
|--|-------------|-------------|-------------|-------------|-----------------|
| Classification | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
| Motor Vehicle Theft | 1,566 | 1,675 | 1,513 | 1,673 | 107 |

| Motor Vehicle Theft – Texas Courts Data for Lubbock County and Participating Agency Counties | | | | | |
|---|-------------|-------------|--------------|-------------|-----------------|
| Activity | 2019 | 2020 | 2021* | 2022 | 2023 YTD |
| Filed by Indictment or Information | 200 | 224 | 159 | | |
| Other Cases Reaching Docket | 314 | 298 | 171 | | |
| Total cases added: | 514 | 522 | 330 | | |
| | | | | | |
| Total Convictions | 108 | 96 | 96 | | |

*Lubbock County's data only available through October 2021 in Courts report.

| Burglary of a Motor Vehicle (BMV) Data - Grantee Report to MVCPA in GMTS |
|---|
|---|

| Grant Report ID # | Activity | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 YTD |
|----------------------------------|--|--------------------|--------------------|--------------------|--------------------|----------------------------|
| 2.1.12 | Number of BMV including parts cases cleared | 9 | 5 | 3 | 4 | 1 |
| 2.1.13 | Number of persons arrested for BMV including parts by taskforce | 5 | 3 | 2 | 9 | 3 |
| 2.1.7 | BMV related cases presented to prosecutor | 3 | 4 | 2 | 9 | 3 |

| Burglary of a Motor Vehicle - DPS Data reported Lubbock County SO, Lubbock PD and Participating Agencies | | | | | |
|---|--------------|--------------|--------------|--------------|---------------------|
| Classification | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
| FROM MOTOR VEHICLES | 3,689 | 3,324 | 2,602 | 3,362 | 230 |
| MOTOR VEHICLE PARTS AND ACCESSORIES | 556 | 461 | 624 | 784 | 45 |
| TOTAL: | 4,245 | 3,785 | 3,226 | 4,146 | 275 |



To: Motor Vehicle Crime Prevention Authority Grants Budget and Reporting Committee
From: Julio Gonzalez, Grants, Budget, and Reports Committee Chair / Dan Price, Grant Auditor
Agenda Item: 5. B
Subject: Budget Update for FY 2022 Unexpended Balance

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Report on the MVCPA Budget Update for FY 2022 Unexpended Balance Authority

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

MVCPA has been given Unexpended Budget Carryforward Authority to carry unexpended balances from FY2022 to FY2023.

Task Force Grants:

| Grantee name | Lapse | |
|------------------------|---------------------------|--|
| City of Austin | 37,428.95 | |
| City of Beaumont | 0 | |
| City of Brownsville | 16,794.07 | |
| Burnet County | 0 | |
| City of Corpus Christi | 876.59 | |
| City of Dallas | 0.00 | |
| Dallas County | 13,277.72 * | |
| City of Eagle Pass | 0 | |
| City of El Paso | 0 | |
| Galveston County | 16,689.82 | |
| Harris County | 0 | |
| City of Houston | 0 | |
| City of Laredo | 25,143.61 | |
| Lubbock County | 0 | |
| City of Mansfield | 13,928.50 | |
| Montgomery County | 62,455.19 | |
| City of Paris | 472.99 | |
| City of Pasadena | 610.13 | |
| Potter County | 21,023.49 | |
| City of San Antonio | 23,229.40 * | |
| Smith County | 333.33 | |
| Tarrant County | 25,343.03 * | |
| Travis County | 45,837.04 | |
| City of Victoria | 857.80 | |
| Total | 304,301.66 | |
| | * Estimated Minimum Lapse | |

| | |
|---|------------------|
| MAG Grants Approved but not awarded 3 @ \$20,000= | \$ 60,000 |
| Balance of FY2022 Personnel budget = | \$ 20,000 |
| Minimum Total | <u>\$380,000</u> |

Motor Vehicle Crime Prevention Authority AY 2022 as of 2/13/2023

| MVCPA Budget Category | Budget | Expenditures | Encumbrances | Available Budget | % Available Budget |
|---|----------------------|----------------------|---------------------|------------------|--------------------|
| Grants | \$ 14,335,467 | \$ 9,775,218 | \$ 4,550,151 | \$ 10,099 | 0% |
| Advertising and Promotion | \$ 22,061 | \$ 22,061 | \$ - | \$ - | 0% |
| All Other Operating | \$ 28,705 | \$ 28,705 | \$ - | \$ - | 0% |
| Consumable Supplies | \$ 671 | \$ 671 | \$ - | \$ - | 0% |
| Professional Fees & Services | \$ 24,874 | \$ 24,874 | \$ - | \$ - | 0% |
| Salaries and Personnel Costs | \$ 450,595 | \$ 450,595 | \$ - | \$ - | 0% |
| Travel | \$ 11,864 | \$ 11,864 | \$ - | \$ - | 0% |
| Grand Total | \$ 14,874,237 | \$ 10,313,987 | \$ 4,550,151 | \$ 10,099 | 0.07% |
| Note: FY22 Unexpanded Balance of \$105,368.14 was transferred to FY23 Grants account | | | | | |

Motor Vehicle Crime Prevention Authority AY 2023 as of 2/13/2023

| MVCPA Budget Category | Budget | Expenditures | Encumbrances | Available Budget | % Available Budget |
|--|----------------------|-------------------|----------------------|---------------------|--------------------|
| Grants | \$ 14,225,141 | \$ 7,500 | \$ 13,802,499 | \$ 415,142 | 3% |
| Advertising and Promotion | \$ 111,073 | \$ - | \$ - | \$ 111,073 | 100% |
| All Other Operating | \$ 141,131 | \$ 5,077 | \$ 10,046 | \$ 126,008 | 89% |
| Consumable Supplies | \$ 2,500 | \$ 99 | \$ 114 | \$ 2,287 | 91% |
| Professional Fees & Services | \$ 133,250 | \$ 1,307 | \$ 11,193 | \$ 120,750 | 91% |
| Salaries and Personnel Costs | \$ 454,378 | \$ 137,129 | \$ - | \$ 317,249 | 70% |
| Travel | \$ 17,500 | \$ 6,582 | \$ - | \$ 10,918 | 62% |
| Grand Total | \$ 15,084,973 | \$ 157,695 | \$ 13,823,852 | \$ 1,103,427 | 7% |
| Note: FY23 Grants Budget was adjusted (partial adjustment) with FY22 Unexpanded Balance of \$105,368.14 | | | | | |



To: Motor Vehicle Crime Prevention Authority Grants Budget and Reporting Committee
From: Julio Gonzalez, Grants, Budget, and Reports Committee Chair / Joe Canady, Director
Agenda Item: 5.C
Subject: Grantee Expenditure Review Process to ensure expenditures are allowable

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Grantee Expenditure Review Process to ensure expenditures are allowable.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

Expenditure review is comprised of answering a number of basic questions:

- 1) Are the expenses reasonable and necessary? (We offer latitude in our Commander's judgment)
- 2) Are authorized people doing authorized things? (Are expenses allowable under Statute & TAC)
- 3) Did you do what you said you would do? (Are expenses consistent with the Grant Award)

Our Grant Management System has many controls built in, such as:

- 1) Total reimbursement is capped at award amount.
- 2) Program Income is automatically carried forward.
- 3) Budget overages are controlled by category.
- 4) Reimbursement rate is calculated from final approved application.
- 5) Expenditure submission is certified by approved official.
- 6) Many other controls and control reports are embedded in the system.

After submission 3 staff members review each report:

- 1) Grant Coordinator checks for:
 - a. Reasonable and necessary expenses?
 - b. Is the submission complete?
 - c. Do the schedules, summary and expenditure reports (ER's) foot and tie to each other?
- 2) Grant Auditor checks for:
 - a. 26 elements of compliance and continuity to prior reports.
 - b. Looks at total ER & Categories for burn rate, analyze variances.
 - c. Checks backup per category.
 - i. Allowable vs Unallowable, some examples of unallowable:
 1. General Governmental expenses.
 2. Indirect Costs

3. Related Party (Less than arm's length transactions).
 4. Special items of cost
 5. Tips and alcohol
 6. Lobbying
 7. Guns and ammunition
 8. Losses (e.g., Accidents)
 9. Many Others
 - ii. Check cutoffs
 - iii. Check for duplicate charges
 - iv. Check for proper reporting by category
 - v. Compare to Grant Award for consistency
 - vi. Other inquiries based on professional judgement
- 3) MVCPA Director checks for:
- a. Explanations of variances or questionable items from Staff
 - b. Do Expenditures align with the Progress reports
 - c. Quality check
 - d. Prepares payment voucher and forwards to accounts payable.

Example:

During the review of an Expenditure report, a line item was noted for "rent." The grant award was reviewed, and rent was included, but an unusual comment "Rent cost is set by the Board of Trustees." At that point, a review of public records was performed to determine the identity of the "landlord". The determined "landlord" was a wholly owned subsidiary of the Grantee.

Per the Texas Grant Management Standards (TXGMS):

| Selected Cost Items | Federal Grant Program Considerations | State Grant Program Considerations |
|--|--------------------------------------|--|
| | Uniform Guidance | Chapter 783 Supplement for State Grant Programs |
| Rental Costs of Real Property and Equipment | 2 CFR § 200.465 | <p>(a) Subject to the limitations described in paragraphs (b) through (d) of this section, rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased. Rental arrangements should be reviewed periodically to determine if circumstances have changed, and other options are available.</p> <p>(b) Rental costs under "sale and lease back" arrangements are allowable only up to the amount that would be allowed had the local government continued to own the property. This amount would include expenses such as depreciation, maintenance, taxes, and insurance.</p> <p>(c) Rental costs under "less-than-arm's-length" leases are allowable only up to the amount (as explained in paragraph (b) of this section). For this purpose, a less-than-arm's-length lease is one under which one party to the lease agreement is able to control or</p> |

| | | <p>substantially influence the actions of the other. Such leases include, but are not limited to those between:</p> <ol style="list-style-type: none"> (1) Divisions of the local government; (2) The local government under common control through common officers, directors, or members; and (3) The local government and a director, trustee, officer, or key employee of the local government or an immediate family member, either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest. For example, the local government may establish a separate corporation for the sole purpose of owning property and leasing it back to the local government. (4) Family members include one party with any of the following relationships to another party: <ol style="list-style-type: none"> (i) Spouse, and parents thereof; (ii) Children, and spouses thereof; (iii) Parents, and spouses thereof; (iv) Siblings, and spouses thereof; (v) Grandparents and grandchildren, and spouses thereof; (vi) Domestic partner and parents thereof, including domestic partners of any individual in (2) through (5) of this definition; and (vii) Any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship. (5) Rental costs under leases which are required to be treated as capital leases under GAAP are allowable only up to the amount (as explained in paragraph (b) of this section) that would be allowed had the local government purchased the property on the date the lease agreement was executed. The provisions of GAAP must be used to determine whether a lease is a capital lease. Interest costs related to capital leases are allowable to the extent they meet the criteria in Interest. Unallowable costs include amounts paid for profit, management fees, and taxes that would not have been incurred had the local government purchased the property. (6) The rental of any property owned by any individuals or entities affiliated with the local government, to include commercial or residential real estate, for purposes such as the home office workspace is unallowable. |
|---------------------|--------------------------------------|---|
| | | |
| Selected Cost Items | Federal Grant Program Considerations | State Grant Program Considerations |
| | Uniform Guidance | Chapter 783 Supplement for State Grant Programs |
| Depreciation | 2 CFR § 200.436 | <ol style="list-style-type: none"> (d) Depreciation is the method for allocating the cost of fixed assets to periods benefitting from asset use. The local government may be compensated for the use of its buildings, capital improvements, equipment, and software projects capitalized in accordance with GAAP, provided that they are used, needed in the local government's activities, and properly allocated to state and Federal awards. Such compensation must be made by computing depreciation. (e) The allocation for depreciation must be made in accordance with Appendices III through IX of the Uniform Guidance. |

| | |
|--|--|
| | <p>(f) Depreciation is computed applying the following rules. The computation of depreciation must be based on the acquisition cost of the assets involved. For an asset donated to the local government by a third party, its fair market value at the time of the donation must be considered as the acquisition cost. Such assets may be depreciated or claimed as matching but not both. For the purpose of computing depreciation, the acquisition cost will exclude:</p> <ol style="list-style-type: none"> (1) The cost of land; (2) Any portion of the cost of buildings and equipment borne by or donated by the state or Federal government, irrespective of where title was originally vested or where it is presently located; (3) Any portion of the cost of buildings and equipment contributed by or for the local government where law or agreement prohibits recovery; and (4) Any asset acquired solely for the performance of a non-state award. <p>(g) When computing depreciation charges, the following must be observed:</p> <ol style="list-style-type: none"> (1) The period of useful service or useful life established in each case for usable capital assets must take into consideration such factors as type of construction, nature of the equipment, technological developments in the particular area, historical data, and the renewal and replacement policies followed for the individual items or classes of assets involved. (2) The depreciation method used to charge the cost of an asset (or group of assets) to accounting periods must reflect the pattern of consumption of the asset during its useful life. In the absence of clear evidence indicating that the expected consumption of the asset will be significantly greater in the early portions than in the later portions of its useful life, the straight-line method must be presumed to be the appropriate method. Depreciation methods once used may not be changed unless approved in advance by the state awarding agency. The depreciation methods used to calculate the depreciation amounts for indirect rate purposes must be the same methods used by the local government for its financial statements. (3) The entire building, including the shell and all components, may be treated as a single asset and depreciated over a single useful life. A building may also be divided into multiple components. Each component item may then be depreciated over its estimated useful life. The building components must be grouped into three general components of a building: building shell (including construction and design costs), building services systems (e.g., elevators, HVAC, plumbing system and heating and air-conditioning system) and fixed equipment (e.g., sterilizers, casework, fume hoods, cold rooms and glassware/washers). In exceptional cases, a state awarding agency may authorize a local government to use more than these three grouping (4) When a local government elects to depreciate its buildings by its components, the same depreciation methods must be used for indirect purposes and financial statements purposes, as described in paragraphs (d)(1) and (2) of this section. (5) No depreciation may be allowed on any assets that have outlived their depreciable lives. |
|--|--|

The issues identified were discussed with the Grantees Finance team and then reviewed with the State Auditor's Office, State Procurement Office, DMV Legal, and the Comptroller's Legal Department. The final conclusion was that this cost for "rent" is unallowable.



To: Motor Vehicle Crime Prevention Authority Grants Budget and Reporting Committee
From: Julio Gonzalez, Grants, Budget, and Reports Committee Chair / Joe Canady, Director
Agenda Item: 5.D
Subject: MVCPA Grantee Site Visits and Monitoring Update

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Grantee Site Visit and Monitoring process and purpose

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

As part of MVCPA's Standard Operating Procedure, as well as a requirement by state regulations, the MVCPA must conduct program and financial compliance reviews of grant programs. The purpose of the monitoring visit is to ensure compliance with state law, program rules and regulations, and the Statement of Grant Award.

The review primarily covers:

- Assessment and evaluation to determine whether the program purposes are being attained
- Determine whether goals, strategies, activities and other measurable outcomes are being met
- Determine whether the grantee is operating as a multi-agency taskforce as described in the approved application and operations plan
- Assessment of selected inventory items to determine if the location as indicated by the grantee in the online Inventory Report is accurate
- Review financial records and documentation for consistency with program activity
- Assessment to ensure grantee is in compliance with State cost principles, rules, regulations, and contractual requirements
- Assessment to ensure expenses incurred by the grant program are reasonable and necessary to meet the goals, strategies, and activities of the grant program
- Assessment to ensure grantee has a process in place, and is following the process, to monitor and ensure grant compliance of subgrantees.

After the Review:

- **Monitoring Report** - The Coordinator prepares a written report of the review and forwards the report to the grantee. The report documents all of the compliance issues, findings, observations and advisory recommendations along with the specific guidance citations associated with each. For more complicated reviews, the coordinator may also conduct a telephone exit conference.
- **Corrective Action Plan** - If the report contains findings, the grantee has 30 days from the date of the monitoring report either to dispute the findings with written comments and any supporting documentation, or to submit a Corrective Action Plan (CAP) specifying the plan to remedy the finding. The CAP must be fully implemented

within six months from the date of the monitoring report. Follow-up reviews with may be conducted by the Coordinator to ensure timely implementation, as necessary.

- Technical Assistance - The Monitor will follow up with the grantee to provide technical assistance to facilitate grant compliance, as needed. If significant problems or concerns are identified during the review; on-site visits may be scheduled by Staff monitor for the purpose of reviewing fiscal operations.

Example:

In mid- January a monitoring visit of a Multi-Agency task force was conducted. Thirty days notice was given. About 2 hours into the review, we were informed that no Finance personnel were available and onsite to complete the review. We completed the portions of the Monitoring visit that were possible. Observations that were made included:

- The taskforce is a multi-agency grant with three sub-grantees. The coordination between the grantee and sub-grantees is below what is expected of a multi-agency grant.
- Sub-grantee monitoring of program operations and financial elements needs improvement.
- Inventory management needs improvement.

MVCPA recommends the following changes be implemented to the taskforce grant operations to combat motor vehicle crimes and better serve the citizens of Texas:

- Conduct bi-Weekly meetings with Grantee and all Sub-grantees
- Hold monthly meetings between chiefs and command staff of all participating agencies
- Coordinate group operations and investigations between Grantee and Sub-grantees as a taskforce
- Provide a plan to the MVCPA for Sub-grantee monitoring (Program Operations and Financial)
- Provide monthly program updates to the MVCPA of the implementation progress

A follow up visit has been scheduled for mid-March to complete the finance portion of the Monitoring.



To: Motor Vehicle Crime Prevention Authority Grants Budget and Reporting Committee
From: Julio Gonzalez, Grants, Budget, and Reports Committee Chair / Yessenia Benavides, Program Specialist
Agenda Item: 5.E
Subject: MVCPA Conference Update

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Provide an update on the 2023 Motor Vehicle Crime Prevention Authority 2023 Conference venue contract.

FINANCIAL IMPACT

\$4,400.00

BACKGROUND AND DISCUSSION

The motor vehicle Crime Prevention Authority 2023 Conference will be held June 12 thru June 15, 2023, in Kerrville, TX. A requisition for Inn of the Hills was submitted on December 16, 2022 in the Centralized Accounting and Payroll/Personnel System (CAPPS). A Purchase Order (PO) was issued on February 7, 2023. The amount for the purchase order is \$4,400.00.

| Price Breakdown | |
|--------------------------------------|-------------------|
| Conference Room Rental | \$3,000.00 |
| Hospitality Room (Executive Session) | \$400.00 |
| Audio Visual Fees | \$700.00 |
| Additional Amount for Incidentals | \$300.00 |
| Total | \$4,400.00 |

A block of rooms has been created by Inn of Hills for the MVCPA 2023 Conference. The block of rooms will be held until Monday, May 15, 2023 at which time those rooms not reserved will be released for sale to others. Rooms will be available for check-in on the day of the arrival at 4:00 PM. Check-out time is 12:00 PM. A reservation link will be shared as soon as possible.

The June 2023 Per Diem Rate for Kerrville, TX is the Standard Rate of \$98 for daily lodging and \$59 for meals and incidentals.



To: Motor Vehicle Crime Prevention Authority Grants Budget and Reporting Committee
From: Julio Gonzalez, Grants, Budget, and Reports Committee Chair / Joe Canady, Director
Agenda Item: 5.F
Subject: Process to increase Taskforce Grant Award for Conference Travel Expenses (ACTION ITEM)

RECOMMENDATION

Action Item. Approve the MVCPA Director to coordinate with TxDMV Finance and Administrative Services Division to increase travel funds to FY23 Taskforce Grant Awards for administrative and law enforcement personnel to attend the 2023 MVCPA Conference.

PURPOSE AND EXECUTIVE SUMMARY

A process to provide funds to taskforce grants for travel costs associated with the 2023 MVCPA training conference. FY23 Taskforce Grant budgets were adopted prior to a board decision to hold a training conference in conjunction with a June Committee and Board meeting.

FINANCIAL IMPACT

To be determined.

BACKGROUND AND DISCUSSION

FY23 MVCPA taskforce grants were a continuation from FY22. Grantees maintained the same budget amounts as was approved in FY22. To prevent an adverse effect to taskforce budgets, MVCPA staff will work with TxDMV Finance and Administrative Services Division to provide additional travel funds for grantees participation and attendance at the 2023 MVCPA training conference. This is expected to be a small percentage of increase to cover hotel and per diem costs for grant personnel to attend. This provides a cost-effective benefit for taskforce law enforcement officers to receive specialized motor vehicle crimes training. It also creates an opportunity for officers and grant officials to participate in round table discussions to develop solutions to new trends in motor vehicle crimes.



To: Motor Vehicle Crime Prevention Authority Grants Budget and Reporting Committee
From: Julio Gonzalez, Grants, Budget, and Reports Committee Chair / Joe Canady, Director
Agenda Item: 5.G
Subject: FY 2024-2025 Request for Applications

RECOMMENDATION

Action Item. Approve the MVCPA Director to coordinate with the MVCPA Board designee to publish the FY2024 Request for Applications (RFA) based on eligibility requirements and priorities for funding as determined by the MVCPA board.

PURPOSE AND EXECUTIVE SUMMARY

The MVCPA is authorized to issue Request for Applications (RFA) for the Fiscal Years 2024 and 2025 to provide grants to local law enforcement to combat motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime. The RFA must include Eligibility Requirements and grant features that the MVCPA Board has designated as a priority when evaluating new grant applications.

FINANCIAL IMPACT

Contingent on Appropriations

BACKGROUND AND DISCUSSION

The MVCPA has previously issued taskforce grants for a one-year term beginning on September 1 and ending on August 31. Since the amounts appropriated to MVCPA is on a two-year basis, the MVCPA has awarded a continuation grant for the second year of the biennium subject to the availability of funding and grantees' positive program performance.

- Eligible Applicants
 - Texas law enforcement agencies through their city or county have been eligible to apply for Motor Vehicle Crime Grants
- Application Category
 - New Grant – Annual competitive grants that require a minimum cash match of 20% for the program described in the application.
 - Continued Grant – Previously applications were allowed to be submitted for substantially the same positions and program operations as the previous year. MVCPA staff recommends that the continued grant category not be offered due to current crime trends and priorities in funding. This will allow applicants to complete a new grant application with a need based on the jurisdictions current measurable motor vehicle crimes and the proposed activities to combat motor vehicle crimes occurring.
- Funding Priorities to consider
 - Automatic License Plate Reader Operations
 - Dedicated Prosecutor
 - Border and Port Security Operations
 - Catalytic Converter Operations and Prevention
 - Statewide taskforce to address real time crime trends

Fiscal Year 24-25 RFA and Grant Timeline

- **March 3, 2023**
 - Publish Taskforce Grants FY24-25 RFA
- **March 15, 2023**
 - Grant Application Workshop - Determine if in person or remote
- **May 12, 2023**
 - FY24-25 Applications Due
- **May 15 - May 19, 2023**
 - Review to ensure applicants meet qualifications stated in RFA and certify as complete
- **May 22 - June 2, 2023**
 - Application Scoring
- **June 12 - June 15, 2023**
 - MVCPA Training Conference/GBR Committee/Board Meeting/FY24-25 Grant Awards
 - 1st day GBR Committee – Grantee Presentations
 - 2nd day Statewide Motor Vehicle Crimes Training
 - 2nd day Grantee Training – Taskforce – In person Taskforce Commander and Financial Officer or designees
 - 3rd day Statewide Motor Vehicle Crimes Training
 - 4th day MVCPA Board Meeting and Grant Awards Ceremony



Motor Vehicle Crime Prevention Authority Fiscal Year 2022 Request for Applications – Taskforce Grants

Publish date

Notice of Request for Applications

The Motor Vehicle Crime Prevention Authority (MVCPA) authorized the issuance of the Fiscal Years 2022 and 2023 (FY22-23) **Request for Applications (RFA)** at its regularly scheduled meeting held on February 25, 2021. MVCPA is authorized in statute to provide grants to local law enforcement to combat motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime. Eligible applicants may request funds for program operation by submission of an application consistent with the information, including the requirements and conditions stated in this RFA. This RFA is posted in the Texas Register as required by law for at least thirty (30) days prior to the due date for Applications.

All applications submitted will be for FY2022. If awarded an FY2022 grant the MVCPA may provide a FY2023 grant subject to availability of funding and grantees' positive program performance. The MVCPA will use the same FY2022 application and budget values as originally submitted for the extended period. Any ongoing program (scope) changes or budget changes will be submitted by grantees through the grant adjustment process after the creation of the second year grants.

Due Date

Grant Applications from eligible applicants must be completely submitted on-line at <https://MVCPA.tamu.edu> on or before **5:00 PM, June 11, 2021**. **New applicants must establish an account and perform account setup steps prior to an application being able to be submitted.**

The required Resolution and any optional supporting documents must be scanned and submitted as attachments to the application at <https://MVCPA.tamu.edu> on or before **5:00 PM, June 11, 2021**.

Applicable Authority and Rules

Motor Vehicle Crime Prevention Authority grant programs are governed by the following statutes, rules, standards and guidelines:

- [Texas Transportation Code Chapter 1006](#)
- [Texas Administrative Code: Title 43; Part 3; Chapter 57](#)
- [Texas Grant Management Standards \(TxGMS\) as promulgated by the Texas Comptroller of Public Accounts](#)
- [The current Motor Vehicle Crime Prevention Grant Administrative Guide and subsequent adopted grantee instruction manuals](#)
- This Request for Applications issued on **Publish date**

Eligible Applicants

Only Texas law enforcement agencies through their city or county are eligible to apply for Motor Vehicle Crime Taskforce Grants.

Application Category

Applicants meeting the eligibility requirements are also required to meet qualifications listed in the specific type of application that may be submitted. There are three different grant application types:

Continued Grant Category – Only available to agencies that have an FY21 grant. The application must be submitted for substantially the same positions and program as the previous year, or FY2021. The requested funds, match funds, and in-kind match must be within 5% of the previous year. The number of staff positions must be within 5% of the total positions. These are annual competitive grants that require a minimum cash match of 20% for the program described in the application.

Modified Grant Category – Only available to agencies that have an FY21 grant. Current grantees will only enter the portion where a change of greater than 5% is made between the continued grant application and the awarded (including modifications) FY2021 budget. Changes in personnel, fringe, travel, supplies, contract, equipment or changes in number of personnel, match percent or amount would be included in this category. These are annual competitive grants that require a minimum cash match of 20% for the program described in the application.

New Grant Category – Available to all law enforcement agencies. These are annual competitive grants that require a minimum cash match of 20% for the program described in the application.

Grant Type

Reimbursement -This is a total program budget reimbursement grant. Applicants that are awarded grants will expend local (agency) funds and then will be reimbursed quarterly at the agreed rate for all allowable, reasonable and necessary program costs incurred.

Grant Term

The grant cycle is one (1) year funding cycle to begin on September 1, 2021 and end August 31, 2022. Subject to availability of funding and grantees' positive program performance the MVCPA may provide a FY2023 grant using the same on-line application systems and budget values as originally submitted. No obligations or expenses may be incurred or made outside of the grant period(s).

Method of Application

Grant Applications from eligible applicants shall be completely submitted on-line at <https://MVCPA.tamu.edu> on or before **5:00 PM, June 11, 2021**. All forms will be completed on-line. The Resolution and all supporting documents must be submitted as attachments.

Resolution Required

A Resolution (Order or Ordinance) by the applicant governing body is required to make application for these funds. The resolution shall provide that the governing body applies for the funds for the purpose provided in statute (*Texas Transportation Code, Chapter 1006*) to return the grant funds in the event of loss or misuse, and designate the officials that the governing body chooses as its agents to make uniform assurances and administer the grant if awarded.

Only the governing body that submits an application needs to adopt and submit a Resolution. Participating jurisdictions in multi-agency taskforces shall agree and commit to the grant through interagency agreements as provided under Texas Local Government Code Chapter 362, Texas Government Code Chapter 791 and TxGMS.

In the event a governing body has delegated the application authority to a city manager, chief of police, sheriff or other official then applicants must submit on-line a copy of the delegation order (documentation) along with the Resolution signed by the official. A sample Resolution is attached as Appendix A.

Program Category

To be eligible for consideration for funding, a taskforce grant application must be designed to support one or more of the following MVCPA program categories:

Law Enforcement, Detection, and Apprehension - provide financial support to law enforcement agencies for economic motor vehicle theft and fraud-related motor vehicle crime enforcement teams (referred to as taskforces). Taskforces will develop organized methods to combat motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime through enforcement of law, detection of criminal enterprise and /or apprehension of law violators and groups. This category includes development of uniform programs to prevent stolen motor vehicles from entering Mexico or out of Texas through outbound seaports.

Prosecution/Adjudication/Conviction - provide financial support for taskforces to work with prosecutors and judicial agencies to implement programs designed to reduce the incidence of motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime.

Prevention, Anti-Theft Devices and Automobile Registration - provide financial support for taskforces to work with organizations and communities to reduce the incidence of motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime. This program category must provide methods to distribute equipment or technology and/or to test experimental equipment or technology designed to reduce motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime. The application shall demonstrate how the financial support will assist automobile owners to reduce motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime.

Reduction of the Sale of Stolen Vehicles or Parts - provide financial support for taskforces to work with businesses, organizations and communities to reduce the sale of stolen parts. Applicants will develop organized methods to combat the sale of stolen vehicles and parts using vehicle identification number inspection, inspections of facilities that operate motor vehicle part and component distribution enterprises, labeling etching methods including component part labeling and contradicting other fraudulent means to sell stolen parts.

Educational Programs and Marketing – provide financial support for taskforces to work with individuals, businesses, organizations and communities to assist automobile owners in preventing motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime. Develop and provide specialized training or education program(s) on motor vehicle crime prevention, interdiction and prosecution to law enforcement, prosecutors, and other groups combatting motor vehicle theft and burglary. Provide education in motor vehicle crime prevention including title and registration fraud prevention to business groups and the public.

Priority Funding

The statute provides that the *“The authority shall allocate grant funds primarily based on the number of motor vehicles stolen in, or the motor vehicle burglary or theft rate across, and the number of fraud-related motor vehicle crimes committed in the state rather than based on geographic distribution.”* (TTC Section 1006.151,

(c). In addition, the following grant features will be given priority consideration in evaluating **new** grant applications:

Continuing Funded Programs in Compliance with MVCPA Grant Conditions– Applications that provide for the continuation of existing programs that currently meet the program and fiscal reporting conditions of the MVCPA. Applicants must provide ongoing need and evidence of their progress toward combatting motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime. The applicant must describe the experience and qualifications of investigators used in the program and how utilization of current grant inventory and resources for continued operation of these specialized investigative grant programs are useful for the state and local governments.

Programs to Combat Organized Economic Crime – Applications for economic motor vehicle theft and fraud-related motor vehicle crime enforcement teams that introduce, increase, or expand efforts to combat organized crime. This includes efforts by criminals that commit or conspire to commit motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime. Grant applications that include specific initiatives to target pattern, organized and economic crime will receive prioritization.

Supporting Documents

Documents that provide evidence of local support or commitment from other officials or agencies for the application may be submitted following the same instructions as the Resolution. Interagency agreements shall be submitted prior to payments being authorized if an award is made. MVCPA recommends that interagency agreements be completed after award determinations are made to ensure correct amounts are reflected in those agreements. All interagency agreements must meet the conditions and elements required in the TxGMS.

Supplanting Prohibited

Grant funds provided by the Authority under this RFA shall not be used to supplant federal, state or local funds that otherwise would be available for the same purposes (Texas Administrative Code Title 43, §57.9).

Supplanting means the replacement of other funds with MVCPA grant funds. This shall include using existing resources already available to a program activity as cash match.

Cash Match Requirement

All applications for programs must provide at least a twenty (20%) percent cash match (Texas Administrative Code Title 43, §57.36). Multijurisdictional agencies must provide details for the method of cash match in intergovernmental agreements (*Texas Government Code, Chapter 791*). Cash match must meet the requirements provided in TxGMS.

Formulas to calculate cash match:

1. Total MVCPA grant funds requested multiplied by percent of match required = Total Amount of Cash Match Required
2. Total Program Cost minus Total Cash Match Required = Total Authority Grant Request

NICB in Lieu of Cash – Applicants may enter into formal agreements with the National Insurance Crime Bureau (NICB) to work on grant funded activities. The amount of salary and other direct costs related to the work on grant activity provided by the NICB may be counted and reported as in lieu of cash match. Time certifications are required to be made by the employee for these positions every month for part-time and every six months for full-time employees.

In-Kind Match

Resources or funding from the applicant or third-parties that are related to grant funded activity and can be quantified should be reported in the proper category in the application. In-kind contributions shall not be considered cash match. In-kind match is encouraged. It may be used to: 1) reflect the total level of jurisdictions' effort/costs to combat motor vehicle crime; 2) reflect how the grant program fits into jurisdictions' operation; and/or 3) as an added value inducement to the MVCPA.

Reporting and Webinar Attendance Requirements

Applicants that are awarded grants will be required to provide:

Quarterly Progress Reports - The MVCPA requires submission of quarterly progress reports to demonstrate progress toward meeting goals and activities provided in the grant application. These include: 1) Monthly progress toward statutorily required performance measures; 2) Monthly progress recorded on the Goals, Strategies and Activities report; and 3) Summary and Success section. Grantees

designated as Border/Port Security grants are required to complete additional sections required by the Texas Legislature.

Quarterly Financial Reports – Reports of actual expenses are provided to request funds. All expenditures must be in accordance with local policies and procedures and grant requirements. Grantees shall review all expenditures, ensure all applicable regulations are followed, and maintain documentation that is true and complete. All expenses must be supported by appropriate documentation.

Webinar Attendance: One grant representative from the applicant agency will attend a monthly session via teleconference or webinar that includes information on MVCPA grant administration. One law enforcement officer must attend the information sharing and networking sessions on law enforcement issues and other MVCPA issues critical to operating an MVCPA taskforce.

Funding Requirements and Conditions

- a) State Funds Availability – All awards by the MVCPA are subject to availability of state funds.
- b) Right of Refusal –The Authority reserves the right to reject any or all of the applications submitted.
- c) Awards – Publishing the RFA does not obligate the Authority to fund any programs.
- d) Partial Funding – The Authority may choose to offer funds for all or any portion of a program submitted in the Application.
- e) Substitution –The Authority may offer alternative funding sources, special conditions or alternative program elements in response to submitted Applications.
- f) Application Required - Registration for on-line access is required. The MVCPA is not responsible for applicants that cannot complete the registration and application process on-time.
- g) No Alternative Application Submission - Paper applications and requests for funding are not accepted in lieu of the on-line application process.
- h) Competitive Application Process–The Application process for the Authority’s Grant Program is competitive. Awards are based on a review of the grant Application.
- i) Review Criteria–Authority staff and designated MVCPA Board member(s) will review each grant using subjective and objective tools and comparative analysis. The weight given to each section or combination of sections is at the sole discretion of the Authority.
- j) Questions and Clarification- During the review period, the applicant may be contacted by Authority staff to ask questions or seek clarification on information written in the application. Failure to promptly respond will not disqualify an applicant but information that arrives after the review period cannot be considered.
- k) Final Selection–The Authority may select and award programs that best meet the statutory purposes and that reflect its current priorities. No appeal may be made from the Authority’s decisions.
- l) Changes in Application- If an applicant proposes changes to be made in the program type or participation of jurisdictions after an award is determined, then the Authority will review the changes and make modifications (including the amount) or cancel the award as deemed appropriate to the Authority.
- m) Delayed Start- An applicant that is awarded a grant and that does not begin operations within 45 days of the beginning of the grant term is considered terminated.
- n) Application instructions – the MVCPA provides additional details and instructions in the on-line application system that are incorporated by reference as part of this RFA and must be followed during the application and award process.
- o) TCOLE Certifications Required - All law enforcement agencies regulated by Chapter 1701, Occupations Code must certify that they are in compliance with Texas Commission on Law Enforcement standards or provide a certification from the Commission on Law Enforcement that states that the requesting agency is in the process of achieving compliance with such rules.

Selection Process:

Eligible applications will be reviewed. Grant award decisions by MVCPA are final and not subject to judicial review. Grants will be awarded on or before September 1, 2021.

Applications that do not meet the stated requirements of this RFA and that are not eligible for review will be notified ten (10) working days after the due date.

Application Workshop

Potential applicants are requested to attend the “Motor Vehicle Crime Prevention Authority Grant Application Workshop” which has been scheduled for: **date**

The informational session will provide details on the grant Application process including grant eligibility requirements, completing the various Application sections, and the grant cycle timeline. At least one representative of the potential grant applicant should be present at this workshop.

Attendees are responsible for making individual hotel reservations.

Contact Person

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Issued in Austin, Texas on **Publish date**

Bryan E. Wilson, MVCPA Director

MVCPA Application Checklist

Each Applicant must:

- 1) Complete the on-line Application on or before 5:00 PM, June 11, 2021;
- 2) Submit the Resolution and any attach other supporting documents on or before **5:00 PM, June 11, 2021**

Appendix A

Updated Sample Motor Vehicle Crime Prevention Authority Resolution

Applicants may use the language below to meet the minimum legal elements to execute an agreement with the MVCPA through the grant application process. Cities and counties not wanting to use the sample below must address all the legal elements contained herein.

2022 **Blank City/ County** Resolution or Order or Ordinance Motor Vehicle Crime Prevention Authority Grant Program

WHEREAS, under the provisions of the Texas Transportation Code Chapter 1006 and Texas Administrative Code Title 43; Part 3; Chapter 57, entities are eligible to receive grants from the Motor Vehicle Crime Prevention Authority to provide financial support to law enforcement agencies for economic motor vehicle theft and fraud-related motor vehicle crime enforcement teams in the jurisdiction; and

WHEREAS, this grant program will assist this jurisdiction to combat motor vehicle theft, burglary of a motor vehicle and/or fraud-related motor vehicle crime; and

WHEREAS, _____ (Entity Name) has agreed that all funds received will be used to provide financial support to law enforcement agencies for economic motor vehicle theft and fraud-related motor vehicle crime enforcement teams; and

WHEREAS, in the event of loss or misuse of the grant funds, _____ (Entity Name) assures that the grant funds will be returned in full to the Motor Vehicle Crime Prevention Authority.

NOW THEREFORE, BE IT RESOLVED and ordered that the [*County Judge/ Sheriff// City Manager/Police Chief // , etc....*] of this [*county//city//agency*] is designated as the Authorized Official:

1. To apply for, accept, decline, modify, or cancel the grant application for the Motor Vehicle Crime Prevention Authority Grant Program;
2. Provide all uniform assurances required by the Texas Grant Management Standards as promulgated by the Texas Comptroller of Public Accounts; and
3. Complete all other necessary documents to accept said grant; and

BE IT FURTHER RESOLVED that _____ (*Position-Example- MVCPA Commander, Chief of Police, etc...*) is designated as the Program Director and _____ (*Position-Example- County Auditor, City CFO, etc...*) is designated as the Financial Officer for this grant. .

Adopted this _____ day of _____, 2021.

NAME

TITLE: County Judge /Mayor/ City Manager



To: Motor Vehicle Crime Prevention Authority Board
From: Salem Chuah, Internal Audit Division Director
Agenda Item: 6
Subject: State Auditor Engagement

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

This status update provides information on the status of the State Auditor's Office audit on the Motor Vehicle Crime Prevention Authority.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

The State Auditor's Office (SAO) continues its audit on the Motor Vehicle Crime Prevention Authority's (MVCPA) grant processes and TxDMV's temporary tags. The audit objectives are to:

1. Determine whether the Motor Vehicle Crime Prevention Authority (Authority) has processes in place to ensure that it:
 - Awards, administers, and monitors its grants in accordance with applicable requirements.
 - Complies with selected statutory requirements, including limitations on administrative expenses.
2. Evaluate TxDMV's processes and controls related to ensuring the appropriate production and use of temporary vehicle tags

The SAO started this audit in August 2022 and have produced a confidential draft report which will be publicly released in March 2023.



To: Motor Vehicle Crime Prevention Authority Board
From: Glenna Bowman, Finance Director / Keith Yawn, Government Strategic Communications Director
Agenda Item: 7.A
Subject: Legislative Appropriation Request (LAR)

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

To provide a briefing on the Texas Department of Motor Vehicles (TxDMV) Fiscal Year 2024-2025 Legislative Appropriations Request (LAR) and recommended appropriations included in the introduced House Bill 1 (HB 1) and Senate Bill 1 (SB 1) General Appropriations Acts.

FINANCIAL IMPACT

In January 2023, the Texas House of Representatives and Senate filed their respective versions of the state's introduced budget bills, HB 1 and SB 1, respectively. Both introduced bills include identical levels of baseline funding for MVCPA totaling \$44.2 million for the biennium. This represents the full statutory funding for the program. The individual fiscal year amounts are \$21.9 million in FY 2024 and \$22.2 million in FY 2025. This will provide Unexpended Balance Authority within and between biennia which effectively gives the MVCPA board access to all funds without the need for a special fund.

BACKGROUND AND DISCUSSION

The Texas Department of Motor Vehicles submitted its LAR to the Legislative Budget Board (LBB) on August 12, 2022. During the fall, LBB staff analyzed the LARs for all state agencies and made initial funding recommendations. On January 18, 2023, the introduced versions of the state's budget bills were filed, including full statutory funding for the MVCPA grants program



To: Motor Vehicle Crime Prevention Authority Board
From: Glenna Bowman, Finance Director / Keith Yawn, Government Strategic Communications Director
Agenda Item: 7.B
Subject: Full-time equivalent (FTE) Request

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

To provide a briefing on the Fiscal Year 2024-2025 Legislative Appropriations Request (LAR) and additional authorized full-time equivalent positions (FTEs) for the MVCPA program.

FINANCIAL IMPACT

The Texas Department of Motor Vehicles (TxDMV) submitted its LAR to the Legislative Budget Board (LBB) on August 12, 2022. During the fall, LBB staff analyzed the LARs for all state agencies and made initial funding recommendations. On January 18, 2023, the introduced versions of the state's budget bills were filed.

BACKGROUND AND DISCUSSION

Both House and Senate versions of the introduced General Appropriations Act include all baseline funding increases requested by TxDMV for the MVCPA program, including funding for six (6) new FTEs. The introduced bills did not, however, include an increase in the department's authorized FTE cap related to these positions. The department is continuing to pursue the request for these FTE authorizations with the relevant budget committees.



To: Motor Vehicle Crime Prevention Authority Board
From: Glenna Bowman, Finance Director / Keith Yawn, Government Strategic Communications Director
Agenda Item: 7.C
Subject: Senate and House Bills

RECOMMENDATION

Briefing Only.

PURPOSE AND EXECUTIVE SUMMARY

Texas Department of Motor Vehicles (TxDMV) staff from the Government Strategic Communications Division tracks filed legislation related to the department and MVCPA operations.

FINANCIAL IMPACT

N/A

BACKGROUND AND DISCUSSION

Legislative members have filed bills relating to several areas of interest for MVCPA, including catalytic converter theft, license plates operations, and increased penalties for certain crimes. It is still early in the session to report progress on filed bills or understand which bills may move forward during the committee hearing process. TxDMV staff will continue to monitor bill throughout the process and update impacted programs as new information is available.



**MOTOR VEHICLE CRIME
PREVENTION AUTHORITY**