

TEXAS DEPARTMENT OF MOTOR VEHICLES

BOARD MEETING

William B. Travis Building  
1701 N. Congress Avenue  
Room 1-111  
Austin, Texas 78701

Thursday,  
June 30, 2022  
9:00 a.m.

BOARD MEMBERS:

Charles Bacarisse, Chair  
Christian Alvarado  
Stacey Gillman  
Brett Graham  
Tammy McRae  
Sharla Omumu  
John Prewitt  
Manuel "Manny" Ramirez  
Paul R. Scott

I N D E X

<u>AGENDA ITEM</u>	<u>PAGE</u>
1. Roll Call and Establishment of Quorum	6
2. Pledges of Allegiance - U.S. and Texas	7
3. Chair's Reports	none
4. Executive Director's Reports	
A. Introduction of Deputy Executive Director	7
B. Introduction of General Counsel - Elizabeth Brown Fore	9
C. Introduction of Data Management Officer - Tammi Powell	10
D. Introduction of Law Enforcement Analyst Section	11
E. Tax Assessor-Collectors Association Conference Update	13
F. Awards, Recognition of Years of Service, and Announcements	15
 RULE ADOPTIONS	
5. Chapter 211. Criminal History Offense and Action on License (ACTION ITEM) New, §211.6 (Relating to Fingerprint Requirements for Licensing Applicants for and Holders of General Distinguishing Number (GDN) under Transportation Code Chapter 503 for all Dealer Types under Transportation Code §503.029(a)(6)) (Published 4/22/2022 - 47 TexReg 2122)	17
6. Chapter 215. Motor Vehicle Distribution (ACTION ITEM) Amendments, §215.207 (Relating to HB 3514, Designating a Person to Decide Motions for Rehearing; Cleanup) (Published 4/29/2022 - 47 TexReg 2498)	55
7. Chapter 215, Motor Vehicle Distribution (ACTION ITEM) Amendments, §215.505 (Relating to HB 3927, Denial of Access to the Temporary Tag Database) (Published 4/29/2022 - 47 TexReg 2499)	60
 RULE PROPOSALS	
8. Chapter 217. Vehicle Titles and Registration (ACTION ITEM)	69

Amendments, §§217.122 - 217.130 New, §§217.1231, 217.1232, 217.131, and 217.132 (Relating to SB 15, Motor Vehicle Records)	
9. Chapter 217. Vehicle Titles and Registration (ACTION ITEM) Amendments, §217.27 (Relating to Personalized License Plates)	83
BRIEFING AND ACTION ITEMS	
10. Specialty Plate Designs (ACTION ITEM)	90
A. Texas A&M - Redesign Proposed under Transportation Code §504.851	
11. Finance and Audit Committee Update	
A. Strategic Plan Update (BRIEFING ONLY)	95
B. Preliminary FY 2024 - 2025 Legislative Appropriations Request (ACTION ITEM)	96
C. Texas Comptroller of Public Accounts Post-Payment Audit of TxDMV (BRIEFING ONLY)	108
D. Internal Audit Division Status Update (BRIEFING ONLY) Internal and External Engagements, including Dealer Licensing Process Audit	112
CLOSED SESSION	
12. The Board may enter into closed session under one or more of the following provisions of the Texas Open Meetings Act, Government Code Chapter 551: Section 551.071 Section 551.074 Section 551.076. Section 551.089	116
13. Action Items from Closed Session	none
14. Public Comment	none
15. Adjournment	118

P R O C E E D I N G S

1  
2 MR. BACARISSE: Good morning. My name is  
3 Charles Bacarisse, and I'm pleased to open the Board  
4 meeting of the Texas Department of Motor Vehicles. It is  
5 9:00 a.m., and I'm now calling the Board meeting for June  
6 30, 2022 to order.

7 I want to note for the record that the public  
8 notice of this meeting, containing all items on the  
9 agenda, was filed with the Office of Secretary of State on  
10 June 22, 2022.

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

16 I want to welcome those who are with us for  
17 today's board meeting. Face coverings and social  
18 distancing are not required at this meeting.

19 And if you wish to address the board or speak  
20 on an agenda item during today's meeting, please complete  
21 a speaker's sheet at the registration table just outside  
22 that door, or you can send an email to  
23 GCO\_General@TxDMV.gov. That's GCO [General@TxDMV.gov](mailto:General@TxDMV.gov).

24 Please identify in your email the specific item  
25 you're interested in commenting on, your name and address,

1 and whether you're representing anyone or speaking for  
2 yourself. If your comment does not pertain to a specific  
3 agenda item, we'll take your comment during the general  
4 public comment portion of the meeting.

5 In accordance with the department's  
6 administrative rule, comments to the board will be limited  
7 to three minutes. To assist each speaker a timer has been  
8 provided. The timer light will be green for the first two  
9 minutes, yellow for one minute, and then red when your  
10 time is up. Individuals cannot accumulate time from other  
11 speakers, and comments should be pertinent to the issues  
12 stated on the comment sheet.

13 When addressing the board, please state your  
14 name and affiliation for our record -- we have a  
15 stenographer in the back -- and there are few things that  
16 will assist in making this meeting run smoother and assist  
17 the court reporter back there in getting an accurate  
18 record: Again, please identify yourself before speaking,  
19 speak clearly and slowly, do not speak over others, and  
20 please ask the chairman to proceed and be sure to get  
21 recognized before speaking.

22 I'd like to also thank our court reporter who  
23 is transcribing this meeting.

24 Before we begin today, I'd like to remind all  
25 presenters and those in attendance of the rules of conduct

1 at our board meetings. In the department's administrative  
2 rule, the board chair is given authority to supervise the  
3 conduct of the meetings and this includes the authority to  
4 determine when a speaker is being disruptive of the  
5 meeting or is otherwise violating the timing or  
6 presentation rules that I just discussed.

7 So now I'd like to have a roll call of the  
8 board members, so please respond verbally when I call your  
9 name.

10 Board Member Alvarado, are you here?

11 MR. ALVARADO: Here.

12 MR. BACARISSE: Member Gillman?

13 MS. GILLMAN: Here.

14 MR. BACARISSE: Member Graham?

15 MR. GRAHAM: Here.

16 MR. BACARISSE: Member McRae?

17 MS. McRAE: Here.

18 MR. BACARISSE: Member Omumu?

19 MS. OMUMU: Present.

20 MR. BACARISSE: Member Prewitt?

21 MR. PREWITT: Here.

22 MR. BACARISSE: Member Ramirez?

23 MR. RAMIREZ: Here.

24 MR. BACARISSE: Member Scott?

25 MR. SCOTT: Here.

1 MR. BACARISSE: And let the record reflect that  
2 I, Charles Bacarisse, am here too, so we have a quorum.

3 Let's all now please stand and honor our  
4 country with the pledges to the American flag and the  
5 Texas flag. And I'll turn it over to Member Scott to lead  
6 us in the United States pledge.

7 (The U.S. Pledge of Allegiance was recited.)

8 MR. BACARISSE: Member Gillman will do the  
9 honors for the Texas flag.

10 (The Texas Pledge of Allegiance was recited.)

11 MR. BACARISSE: Thank you. Good job. Thank  
12 you both for leading us in the pledges.

13 We don't have any chair reports today, so we're  
14 going skip over agenda item 3, and we'll move straight to  
15 agenda item 4, and I will now turn it over to Executive  
16 Director Daniel Avitia for agenda item 4.A.

17 MR. AVITIA: Chairman, members, good morning,  
18 and thank you for the opportunity to make a few brief  
19 comments and announcements about some new hires we have in  
20 the agency I'm very excited about this time, especially  
21 with regard to the new talent we'll be bringing into this  
22 agency and have brought into this agency.

23 Item 4.A is the introduction of our new deputy  
24 executive director. I am pleased to announce that Roland  
25 Luna, Sr. will serve as deputy executive director for the

1 Texas Department of Motor Vehicles, effective July 1.

2 Roland joined the TxDMV as the director of the  
3 Motor Vehicle Division and also served as the Vehicle  
4 Titles and Registration Division director. He began his  
5 government service with the Texas Department of Public  
6 Safety as a state trooper and ascended into other  
7 positions, which include serving as an agent on the  
8 protective detail for our very own governor, Mr. Greg  
9 Abbott, the then attorney general, a criminal  
10 investigation sergeant and a lieutenant in internal  
11 affairs.

12 Roland has served in various directorships as  
13 an assistant chief with the Texas Alcoholic Beverage  
14 Commission, deputy inspector general and chief of  
15 investigations for the Health and Human Services  
16 Commission, Office of the Inspector General, chief  
17 inspector general for the Texas Juvenile Justice  
18 Department office as well, and the director of  
19 administration for the Williamson County State District  
20 Courts.

21 Roland earned a bachelor of business  
22 administration from Sam Houston State University, and a  
23 master's of arts in legal studies from Texas State  
24 University. He is certified in mediation and legal  
25 research, holds a Texas Commission on Law Enforcement



1 Master Peace Officer license, and is a certified inspector  
2 general. Roland is also a graduate of the Governor's  
3 Executive Development Program.

4 Members, please join me in welcoming Roland  
5 Luna in his new role as the TxDMV deputy executive  
6 director.

7 (Applause.)

8 MR. BACARISSE: Mr. Luna, I will take the  
9 privilege of this chair and say thank you and welcome,  
10 thank you for your service to the people of Texas. We  
11 look forward to more of the same excellence.

12 And members, any other comments?

13 MS. GILLMAN: Congratulations. Well deserved.

14 MR. BACARISSE: Thank you.

15 Are there any other questions before we move to  
16 agenda item 4.B?

17 (No response.)

18 MR. BACARISSE: All right. Let's go to 4.B.

19 MR. AVITIA: Thank you, Chairman.

20 I'm happy to introduce formally this morning  
21 Ms. Elizabeth Brown Fore, who now serves as our general  
22 counsel for the Texas Department of Motor Vehicles. In  
23 this role she advises the department's executive team and  
24 the board on a range of legal matters and manages the work  
25 of the Office of the General Counsel.

1 Ms. Fore graduated from the University of Texas  
2 School of Law -- Hook 'em Horns. Upon graduation she was  
3 a law clerk in the United States District Court for the  
4 Western District of Texas. She practiced law with Morgan  
5 Lewis in Los Angeles before returning home to Austin,  
6 where she was a partner with both DLA Piper Global Law  
7 Firm and a boutique patent litigation and prosecution  
8 firm. In 2016 she joined the Office of the Texas Attorney  
9 General, where she served as chief of the administrative  
10 law division, prior to joining the TxDMV.

11 Members, please join me in welcoming Ms.  
12 Elizabeth Fore as our general counsel.

13 (Applause.)

14 MR. BACARISSE: Thank you. Welcome, Elizabeth.

15 Members, any questions, comments before we move  
16 to the next item?

17 (No response.)

18 MR. BACARISSE: If not, go ahead, please  
19 proceed.

20 MR. AVITIA: Thank you, Chairman.

21 Data management officer information can be  
22 found on page 8 of your board books. This newly created  
23 data management officer position was a requirement for all  
24 Texas state agencies with 150 FTEs or more. I'm happy to  
25 introduce Ms. Tammi Powell as the TxDMV's new data

1 management officer.

2 Tammi, if you'll raise your hand. There we are  
3 from the back of the room.

4 (Applause.)

5 MR. AVITIA: Tammi joins the TxDMV from the  
6 Texas Department of Information Resources where she served  
7 as the open data portal administrator, then management  
8 program administrator. Tammi later served as an  
9 enterprise data architect in the ITS division where she  
10 was a technical lead for the enterprise data warehouse,  
11 which included managing both technical and data governance  
12 activities.

13 Tammi is a native Austinite and graduated also  
14 from the University of Texas at Austin, with a bachelor's  
15 and a master's in Spanish literature. She also has a  
16 post-graduate certificate in librarianship from Texas  
17 Women's University and a master's in information science  
18 from the University of North Texas.

19 Members, please join me again in welcoming  
20 Tammi to the TxDMV.

21 (Applause.)

22 MR. BACARISSE: Welcome, Tammi.

23 Please continue.

24 MR. AVITIA: Thank you.

25 Chairman, members, the new Law Enforcement

1 Analyst Section was created to efficiently guide law  
2 enforcement through the process of obtaining motor vehicle  
3 records from the department and support officers on the  
4 data available from the Texas Department of Motor  
5 Vehicles. This morning I am pleased to introduce you to  
6 two of the new members of this very important section.

7 The first is Ms. Michelle Real. Can you raise  
8 your hand Michelle? Back of the room over there.

9 Ms. Real joined the department on June 1. She  
10 previously worked as a crime analyst with the Texas  
11 Department of Public Safety's Intelligence and Counter-  
12 Terrorism Division for five and a half years.

13 Welcome, Ms. Real.

14 (Applause.)

15 MR. AVITIA: The second individual is Mr. Omar  
16 Felix. Mr. Omar Felix came on June 13. He has worked as  
17 a case support specialist with the Texas Department of  
18 Public Safety for eight years.

19 Welcome, Omar.

20 (Applause.)

21 MR. AVITIA: Chairman, members, the interview  
22 process is still underway for the last remaining position.  
23 Once that position is filled, the new section will be  
24 complete and we'll be working with our law enforcement.  
25 Currently that program is in pilot and my understanding is

1 it is working very well.

2 Thank you both for being here this morning.

3 Chairman, may I continue?

4 MR. BACARISSE: Please. Thank you. Item E.

5 MR. AVITIA: Agenda item 4.E, members, can be  
6 found on page 10 of your board books.

7 The Texas Tax Assessor-Collectors Association  
8 annual conference was held in Amarillo, Texas this year  
9 from June 11 through June 16.

10 There were 175 county tax assessor-collectors  
11 and nearly 400 conference attendees. Chairman Bacarisse,  
12 Deputy Executive Director Luna, and I provided the  
13 attendees with a TxDMV update of current and upcoming  
14 department activities during a general session for all  
15 participants on Tuesday, June 14.

16 We focused our comments to the items of  
17 operational importance to this group, including recent  
18 legislation implementation, ongoing computer systems work,  
19 and temporary tag activities.

20 The department also participated in several  
21 training presentations and panels, including several  
22 sessions of title fraud training provided by the  
23 Enforcement Division of the TxDMV, and participation in  
24 county roundtable discussions by the Vehicle Titles and  
25 Registration Division staff.

1           As in years past, the TxDMV had a booth and was  
2 available in the exhibit hall, staffed by a multi-  
3 divisional TxDMV team. The TxDMV staff offered program  
4 specific information and answers to questions on an  
5 individual and personalized basis to conference attendees.

6           Chairman, members, I'd certainly like to thank  
7 the TxDMV representatives who attended. I think you did  
8 an outstanding job representing the department. Our  
9 attendance meant a lot to the tax assessor-collector  
10 community and helped strengthen our relationship with our  
11 TAC partners.

12           Vice Chair McRae, I'd like to thank you and all  
13 of the tax assessor-collector partners for your humble  
14 hospitality. We really enjoyed our time in Amarillo with  
15 the entire team.

16           Members, this concludes my remarks on this  
17 item.

18           MR. BACARISSE: Any questions, members on this  
19 item?

20           Thank you, Tammy, again.

21           MS. McRAE: I'd like to.

22           MR. BACARISSE: Member McRae.

23           MS. McRAE: Daniel, I would just to personally  
24 thank you and your team for the participation. It really  
25 did mean a lot to the tax assessor-collector community,

1 and we value that partnership, so thank you for always  
2 supporting our group.

3 MR. AVITIA: Absolutely. Thank you, Vice Chair  
4 McRae.

5 MR. BACARISSE: Thank you. Let's go ahead and  
6 move to item 4.F.

7 MR. AVITIA: Thank you, Chairman.

8 Item 4.F can be found on page 11 of your board  
9 book, and it is this time that we celebrate these  
10 employees to show our appreciation for their years of  
11 service to the citizens of Texas.

12 Members, the following employees have reached a  
13 state service milestone. They were not able to join us  
14 this morning, but I certainly want to take the time to  
15 recognize each of them.

16 So first, for 20 years of state service we have  
17 Georgina Zentner in the Finance and Administrative  
18 Services Division, Jacqueline Duckworth from Vehicle  
19 Titles and Registration Division, Ms. Marie Virtue, the  
20 Motor Vehicle Division, Tonya Graef from the Motor Carrier  
21 Division, and Wendy Clark Cook from our GSC Division.

22 Members, please join me in congratulating these  
23 20-year accomplishments.

24 (Applause.)

25 MR. AVITIA: And for our 30 years of state

1 service we have one recipient: Ms. Sylvia White from our  
2 Consumer Relations Division, who was celebrated at the CRD  
3 picnic several weeks ago. Congratulations to Sylvia on  
4 her 30 years.

5 (Applause.)

6 MR. AVITIA: Finally, members, the following  
7 individuals recently retired from the agency, and we will  
8 miss them and their support to the State of Texas and the  
9 Department of Motor Vehicles.

10 The first is Mr. Andrew Gonzales, and the only  
11 one, actually, is Mr. Andrew Gonzales from the Motor  
12 Vehicle Division. He was a great individual, really  
13 enjoyed with him the entire time I had the opportunity to  
14 work with him. Please join me in congratulating him on  
15 his retirement.

16 (Applause.)

17 MR. AVITIA: Members, this concludes my remarks  
18 for the executive director's report. I'm happy to answer  
19 any questions.

20 MR. BACARISSE: Any questions for Mr. Avitia,  
21 members?

22 (No response.)

23 MR. BACARISSE: Hearing none, I would like to  
24 move to agenda item number 5, and I will turn this over to  
25 Monique Johnston to lay out the item for us, and then



1 we'll take questions after her briefing.

2 Monique, welcome.

3 MS. JOHNSTON: Thank you. Chairman, members,  
4 Director Avitia, good morning. My name is Monique  
5 Johnston, for the record, and I'm the director of the  
6 Motor Vehicle Division.

7 Today we are asking the board's permission to  
8 adopt a rule requiring the fingerprinting of dealers with  
9 a general distinguishing number, or GDN. The rule package  
10 is listed on your agenda as agenda item 5 and the details  
11 may be found in the supplemental information for this  
12 agenda item.

13 At the January 27 board meeting of this year,  
14 the board directed the department to review our statutory  
15 authority and business processes for fingerprinting two  
16 types of applicants: applicants for a new GDN and  
17 existing dealers at the time of their renewal.

18 Further, this board directed us to initiate  
19 rulemaking by publishing proposed rules in the *Texas*  
20 *Register* for public comment and the department to bring  
21 the proposed rules and any public comment back to the  
22 board for a future board meeting to consider for adoption.

23 As directed, the department reviewed our  
24 statutory authority and evaluated the business process  
25 changes necessary to implement fingerprinting for both new

1 and renewal GDN dealer applicants.

2           The Motor Vehicle Division has worked with the  
3 Department of Public Safety, or DPS, and IT to define the  
4 new processes and to implement this change. On April 22,  
5 2022, the department published the fingerprint proposal  
6 for public comment. The proposed rule is in a new section  
7 in Chapter 21, Criminal History Offense and Action on a  
8 License.

9           When the department adopted current Chapter  
10 211, it determined which offenses directly related to the  
11 duties and responsibilities of license holders and their  
12 representatives. Offenses are considered directly related  
13 when the offense entails a violation of public trust,  
14 issuance of a license that would provide opportunity to  
15 engage in further criminal activity of the same type, or  
16 the offense demonstrates the person's inability to act  
17 honest, trustworthy or with integrity. These offenses  
18 includes crimes under the laws of another state and  
19 federal crimes.

20           Adopting this new rule requiring fingerprinting  
21 will prevent fraud in the application process in three  
22 ways: by verifying the applicant's identity through  
23 fingerprints, by providing a complete and comprehensive  
24 DPS and FBI criminal background check, and by providing  
25 access to the DPS and FBI Rap Back subscription, which

1 provides ongoing updates on a licensee's criminal  
2 activity.

3 If adopted, the fingerprint requirement applies  
4 to all dealer types under Transportation Code  
5 503.029(a)(6). This includes franchised motor vehicle  
6 dealers, independent motor vehicle dealers, wholesale  
7 motor vehicle dealers, motorcycle dealers, house trailer  
8 dealers, trailer or semi-trailer dealers, and independent  
9 mobility motor vehicle dealers.

10 The fingerprint requirement is a one-time  
11 requirement if an active license is maintained, thus  
12 providing minimal burden to our applicants and licensees.

13 To provide additional insight on how many individuals  
14 will be impacted by the fingerprint rule, the department  
15 randomly reviewed 50 current applications for a dealer  
16 GDN. The sample data indicates that on average the  
17 fingerprint requirement will impact one to two individuals  
18 per application.

19 We believe adopting and implementing this rule  
20 will substantially decrease fraud in the application  
21 process and provide increased public protection,  
22 justifying the one-time requirement for GDN dealers.

23 The comment period closed on May 22, 2022. The  
24 department received four written comments in support of  
25 the proposed rule and four written comments requesting a

1 proposed change in the text.

2 All comments that were received were addressed  
3 in the preamble section and the rule text remains  
4 unchanged. If the board adopts the proposed rule at  
5 today's meeting, staff anticipates an effective date of  
6 September 1, 2022.

7 We request your approval to adopt this rule  
8 package, and members, this concludes my remarks, and I'm  
9 happy to answer any questions you have.

10 MR. BACARISSE: Thank you, Monique.

11 I know, members, we're going to have a  
12 discussion, so I'll just take you, if you want to be  
13 recognized, please just let me know.

14 Member Gillman.

15 MS. GILLMAN: Just to clarify, you said out of  
16 the random 50 applications one or two will be affected.  
17 Clarify that for me.

18 MS. JOHNSTON: So we did a random selection of  
19 50 applications that we have, and so on average one to two  
20 people per application for a license or renewal would be  
21 required to be fingerprinted, and at the highest range  
22 that we saw were anywhere from three to four people on an  
23 application, but the average was one to two.

24 That's how many people would be required  
25 fingerprints in regards to ownership if you're breaking it

1 down. We broke it down by an LLC, a sole proprietor, a  
2 corporation, a partnership, and then looked at those  
3 different, how many were associated with those  
4 applications, and on average we would have to fingerprint  
5 one to two people per application.

6 MS. GILLMAN: Per application.

7 MS. JOHNSTON: Yes, correct, per application.

8 MS. GILLMAN: All 50 applications would need a  
9 fingerprint.

10 MS. JOHNSTON: Correct, yes.

11 MS. GILLMAN: Okay.

12 MR. BACARISSE: Members, any other questions.

13 MS. OMUMU: I have some.

14 MR. BACARISSE: I'm sorry. Yes, Member Omumu.

15 MS. OMUMU: I'd like to get you to expound on  
16 that just a little bit further, because franchised dealers  
17 can have extremely complex ownership structures, some that  
18 include children, so if a child is a part of the ownership  
19 structure, are we fingerprinting children, or is it an age  
20 limit where you say if you're younger than 18 you aren't  
21 required to submit fingerprints?

22 MS. JOHNSTON: Well, there's nothing in the  
23 rule that specifically states an age; it would just look  
24 at the ownership structure. I'm not aware that we're  
25 aware of their age when we're getting the ownership

1 information at the time, so we do review the ownership,  
2 but we haven't discussed anything about an age limit.

3 MR. BACARISSE: Ms. Johnston, could you  
4 perhaps, for our education, explain who are the important  
5 people in an ownership structure that would be  
6 fingerprinted?

7 MS. JOHNSTON: So the ownership structure when  
8 you're submitting it, your president, your vice president,  
9 and then so what we ask is that the ownership structure  
10 when it equals 100 percent of ownership in that section up  
11 there, so those are the owners that would be fingerprinted  
12 at this time, so president, vice president, however it's  
13 structured for that business.

14 MR. BACARISSE: Any officer with an equity  
15 position in the business.

16 MS. JOHNSTON: Correct, with an equity  
17 position.

18 MS. OMUMU: But if you're a member -- I'm  
19 sorry.

20 MR. BACARISSE: Go ahead, Member Omumu. Sure,  
21 I just want to call it out for the stenographer.

22 MS. OMUMU: But if it's a limited partnership,  
23 right, and you're a partner and you have a percent  
24 ownership and let's say you're a child, then you have  
25 ownership in that entity and you have to provide a

1 fingerprint. I just need that level of clarification.

2 MS. JOHNSTON: I mean, if they're part  
3 ownership in the business, fingerprinting would be  
4 required.

5 MS. OMUMU: Because this could potentially hold  
6 up buy/sells, right, so I just need that clarification.  
7 And at the end of the day, if franchised dealers have to  
8 do this, they will do it, but we just have to understand.

9 MS. JOHNSTON: Correct. And the fingerprinting  
10 will be done at the beginning of the application process,  
11 so it would be the first thing that we notify dealers as  
12 soon as they put in their application who needs to be  
13 fingerprinted, the instructions, how to get it done.

14 The turnaround on the fingerprints, from what  
15 we've been told by DPS, is we get the results within two  
16 to three business days. And there are 139 vendors in  
17 Texas that fingerprint, and then there's I think  
18 approximately 600 outside of Texas, and they also have  
19 partnerships with other vendors as well.

20 MR. BACARISSE: Yes, Member Ramirez, please.

21 MR. RAMIREZ: Can you provide some  
22 clarification on the fingerprinting requirement; I know  
23 you said for new and for renewals. How often are existing  
24 up for renewal?

25 MS. JOHNSTON: Every two years is when they

1 renew their license.

2 MR. RAMIREZ: So eventually in two years every  
3 person holding a license will have been fingerprinted.

4 MS. JOHNSTON: Correct, every existing dealer,  
5 unless of course if someone is added, if they do a change  
6 in ownership, then that person at that time -- the one  
7 person who is the new owner would have to get  
8 fingerprinted.

9 MS. GILLMAN: And every two years?

10 MS. JOHNSTON: No. It's a one-time thing.

11 MS. GILLMAN: It's one-time.

12 MS. JOHNSTON: Correct. It's a one-time thing.

13 Once you're fingerprinted, you're subscribed to what's  
14 called the DPS and FBI Rap Back, and so we have real-time  
15 access to that person's criminal history, so if any  
16 changes were to be made, if someone committed a crime or  
17 if there was an update in their criminal history, we would  
18 get reports on that as long as they're subscribed and have  
19 active fingerprints.

20 Should that person let their license lapse and  
21 two years later they come back and want to get a license  
22 again, then we would have them re-fingerprinted to ensure  
23 that, you know, this is the same person and re-subscribe  
24 them to the Rap Back.

25 MS. GILLMAN: So I'm a franchised dealer, and I



1 do get fingerprinted already for the OCCC. Does the OCCC  
2 submit -- or maybe I should ask is my fingerprinting  
3 already right now, because I do that, is it already at the  
4 DPS?

5 MS. JOHNSTON: I can't speak for the DPS, but  
6 yes, if you've gotten fingerprinted by another agency,  
7 then that agency would have access to your fingerprints.  
8 Correct.

9 MS. GILLMAN: And so if I already have my  
10 fingerprints stored and logged on the record at the DPS,  
11 why can't the DMV access my fingerprints from DPS?

12 MS. JOHNSTON: The DPS and the FBI do not allow  
13 sharing of the information; we are not allowed to have  
14 access to the information.

15 Each agency is required to submit fingerprints  
16 to gain access to that criminal history, so we're not  
17 allowed to share among agencies. We as an agency have to  
18 submit a fingerprint to get the results.

19 MR. BACARISSE: And Monique, is that --  
20 Chairman Bacarisse, just for the record -- is that a  
21 federal statute or a state statute? Where is the law on  
22 that?

23 MS. JOHNSTON: Well, it's under both at this  
24 time, so the DPS does not allow that, but the FBI does not  
25 either, so it's under both. Correct.

1 MR. BACARISSE: Yeah, okay. Thank you.

2 Members, any other questions on this item?

3 MR. RAMIREZ: That does seem like we need a  
4 little clarification. Just for efficiency's sake, we're  
5 asking these folks to take fingerprints over and over,  
6 especially the ones that are already doing it.

7 MS. JOHNSTON: Monique Johnston, for the  
8 record.

9 Yes, we did confirm with DPS, we had a couple  
10 of meetings with them after our last board meeting just to  
11 confirm that this is actually what is required, and they  
12 are very strict with the sharing of the information.

13 I've been through a few DPS audits, and you  
14 can't even share within your own agency if people aren't  
15 properly trained and have the proper training through DPS.

16 MS. GILLMAN: Can we have someone properly  
17 trained within DMV?

18 MS. JOHNSTON: We will have the people trained  
19 within DMV who can view them within DMV, but that's just  
20 to view the results within DMV. Yes, correct.

21 MS. GILLMAN: No. I meant to share with DPS.

22 MS. JOHNSTON: With DPS? In order for DPS to  
23 share the results with us, we have to have the training,  
24 the people who are viewing the results.

25 MS. GILLMAN: I guess that's what I would love.

1 Can we have someone trained at DMV that the DPS will  
2 share?

3 MS. JOHNSTON: The training doesn't allow you  
4 to share with other agencies, no.

5 MR. BACARISSE: It's still an operation of  
6 federal and state statute.

7 MS. JOHNSTON: Correct, yes.

8 MR. BACARISSE: May be an issue that the  
9 policymakers in the legislature, both at the state and  
10 federal level, might want to look at at some point, I  
11 don't know. Who knows.

12 MS. GILLMAN: Well, it certainly creates --

13 MR. BACARISSE: It's a burden.

14 MS. GILLMAN: -- a ridiculous burden when I  
15 know that my fingerprint is already at DPS.

16 MR. BACARISSE: I don't think we disagree on  
17 that.

18 MS. JOHNSTON: We did have extensive  
19 conversations with DPS to make sure we were clear and we  
20 understood what their restrictions were.

21 MR. BACARISSE: Members, any other questions on  
22 this item?

23 MR. SCOTT: Yes.

24 MR. BACARISSE: Member Scott.

25 MR. SCOTT: Point of clarification. Paul

1 Scott, for the record.

2 If you have multiple licenses, you only need to  
3 have one set of fingerprints.

4 MS. JOHNSTON: That's correct. Yeah, that's  
5 part of our IT enhancements that we're working on so we  
6 can track when someone gets fingerprinted they will only  
7 get fingerprinted once, and then that will carry over to  
8 any other licenses that they hold with us.

9 MR. SCOTT: Thank you.

10 MR. BACARISSE: Any questions, members?

11 Member Gillman, go ahead.

12 MS. GILLMAN: Chairman Bacarisse.

13 MR. BACARISSE: I was looking down here to make  
14 sure I didn't miss our members down here.

15 MS. GILLMAN: Maybe not a question, it's a  
16 comment. Could you have just on the dealer application a  
17 check the box: Are fingerprints already in the DPS  
18 system? Check yes or no. Just knowing the fact that the  
19 fingerprints are in the system and available to DPS and  
20 knowing that it's there, is that an eligible -- or would  
21 that satisfy the knowledge of criminal activity?

22 MS. JOHNSTON: Monique Johnston, for the  
23 record.

24 The issues with that is that each state has  
25 their own criminal history rules and offenses of what is

1 acceptable or not acceptable for a license, so it varies  
2 from agency to agency. Ao if someone is eligible for one  
3 type of license, they could potentially not be eligible  
4 for another type of license based on their criminal  
5 history requirements.

6 And in addition to that, a clever criminal  
7 could know that this person has a license and has been  
8 fingerprinted and just check the box and steal their  
9 identity and use that to obtain a license as well. That  
10 could be a possibility.

11 MR. BACARISSE: Any other questions, members?

12 (No response.)

13 MR. BACARISSE: Seeing none, the chair would  
14 entertain motion regarding agenda item 5.

15 MS. McRAE: Chairman, I would like to make a  
16 motion.

17 MR. BACARISSE: Member McRae.

18 MS. McRAE: I move that the board approve the  
19 adoption of New Section 211.6 concerning fingerprint  
20 requirements for licensing applicants for franchised and  
21 independent dealer general distinguishing numbers, as  
22 recommended by staff, with an effective date of September  
23 1, 2022. I also move that the board grant the department  
24 the ability to make changes to the adopted section based  
25 on non-substantive corrections made by the *Texas Register*.

1 MR. BACARISSE: Thank you, Member McRae.

2 Is there a second for this motion?

3 MR. RAMIREZ: I second.

4 MR. BACARISSE: Member Ramirez is the second.

5 Is there any further discussion on that motion?

6 (No response.)

7 MR. BACARISSE: Hearing none, I would call for  
8 the vote, please.

9 Just out of sequence here, want to make sure,  
10 we need to have some public comment before we do that?

11 Yes, very good. Thank you. Forgot about that.

12 MS. AUCOIN: Aline Aucoin, for the record,  
13 associate general counsel for Texas DMV.

14 We have three commenters on item number 5. The  
15 first commenter is David Kohler.

16 MR. BACARISSE: Yes. I'm sorry. Thanks for  
17 reminding me.

18 Good morning, Mr. Kohler. Good to see you.  
19 Please approach the podium and give us your name for the  
20 record and go ahead.

21 MR. KOHLER: Good morning. David Kohler,  
22 K-O-H-L-E-R. Thank y'all again for having us here today,  
23 and I'm here to speak on this rule adoption. And I'd  
24 really like to thank Ms. Johnston for how she's  
25 articulating some of your questions.

1           So three years ago, three and a half years ago  
2 when we brought fingerprinting to the table and now we're  
3 here, and so fingerprinting, breaking it down, the idea  
4 was to fingerprint GDN holders whoever has a dealer  
5 license who is inside of your webDEALER system.

6           Then when the public comments came out, I  
7 submitted another public comment to add beyond that, not  
8 just your GDN or license holder. Then come to find out  
9 that Government Code 411.122 is an obstacle, and that  
10 clearly states the GDN or the license holder, but it also  
11 states: "request a determination of eligibility for a  
12 license from the agency."

13           So I don't know what all that legal jargon  
14 means. Does the mean the agency can challenge any dealer  
15 agents who are inside of webDEALER? I don't know. Does  
16 Government Code need to be amended at next session? I  
17 don't know.

18           The other challenge was to fingerprint  
19 everybody, and it doesn't take that long to fingerprint.  
20 Today is June 30; you could have, let's just say by  
21 September 1 or September 30, October 30, everybody who is  
22 a current GDN holder; there's all kind of timelines to  
23 consider. I like the fact that whoever has a pending GDN  
24 right now that hasn't been approved that be immediately  
25 fingerprinting on that to prevent that from getting

1 through the system.

2 Again, timelines are up to the agency and the  
3 board, and if you have any questions, I'll be more than  
4 happy to try to answer them.

5 MR. BACARISSE: Thank you.

6 Members, any questions for Mr. Kohler on this  
7 item? Member Ramirez.

8 MR. RAMIREZ: I've just got a general comment,  
9 Mr. Kohler. You mentioned three years ago bringing this  
10 issue up and having these ideas, and the speed of  
11 government working at the speed at which it does, we're  
12 very grateful for your advocacy and for getting us where  
13 we are.

14 You know, without the continued interest and  
15 without the continued advocacy, I doubt we would ever be  
16 here, so a sincere thank you. I'm very pleased with where  
17 we are. I know it's not perfect, but it's 99 percent  
18 there. And so I just wanted to say thank you publicly.

19 MR. KOHLER: Mr. Ramirez, thank you very much.

20 And again, like I stated in previous meetings, everything  
21 that this staff and this agency and you as the board have  
22 done over the last two to three, four, five months is  
23 light years from the past three years. So again, thank  
24 everybody.

25 MR. BACARISSE: Thank you, Mr. Kohler.



1 I would note, too, in my short time on this  
2 board I have seen this agency's attitude change towards  
3 law enforcement and partnering with them more effectively  
4 and efficiently, and that will remain. That's my  
5 commitment to you as long as I'm the chair of this board,  
6 and I think the agency feels the same.

7 MR. KOHLER: Thank you very much, and I  
8 appreciate you.

9 One last challenge: I know the consideration  
10 was to go into effect September 1. I would challenge the  
11 agency, with everything that has gone on with webDEALER,  
12 to enact it immediately, but I don't know how statute or  
13 rule applies to that, sir. Thank you again.

14 MR. BACARISSE: You bet. Thank you.

15 Aline, may I ask for a -- are there other  
16 commenters? I'm sorry. Are there other commenters on  
17 this item?

18 MS. AUCOIN: Aline Aucoin, for the record.

19 We have two more commenters. The second  
20 commenter is Karen Phillips with TADA.

21 MR. BACARISSE: Sure. Ms. Phillips, good  
22 morning.

23 MS. PHILLIPS: Good morning, Chairman  
24 Bacarisse, board members and Executive Director Avitia.  
25 It's nice to be here with you. My name is Karen Phillips,

1 representing the Texas Auto Dealers Association, and my  
2 written comments are found on the supplemental material  
3 agenda item 5, which was, I believe, sent out yesterday.

4           And as you know, the agency's implementation of  
5 House Bill 3927 and the adoption of the rules with respect  
6 to the temp tags, I think has been very successful and  
7 very effective, and since the adoption of those rules,  
8 according to your supplemental materials, 75 GDN have been  
9 removed from being able to access the temp tag database,  
10 and so again, I think that that is an indication that your  
11 new rules and that statute are performing.

12           At this time I think it's questionable that an  
13 additional barrier to licensing is the direction that is  
14 best served for the public, and I say this because, if you  
15 look at your supplemental material, you'll note that there  
16 is at least the concern of the ease of replicating the  
17 temporary tags, and it continues to be there, and I so I  
18 know the agency is looking at options to increase the  
19 difficulty for reproducing these temp tags.

20           And in fact, the statement on page 57 of your  
21 board materials states that "The ease of replicating basic  
22 temporary tags will remain a vulnerability to the overall  
23 process. Legitimate tags can be collected and  
24 photocopied." And so that to me is where our focus should  
25 be instead of additional barriers to licensing.

1           So will fingerprinting cure the ease of  
2 replicating or counterfeiting the temp tags? No, it will  
3 not. Nor is fingerprinting a foolproof method for  
4 identification. We would request a practical approach  
5 whereby if I have submitted my fingerprints, the  
6 Department -- i.e., the Texas Department of Public  
7 Safety -- has those on records, allowing me to give you  
8 permission to access that through either Rap Back or  
9 otherwise. If that needs a statutory amendment, TADA will  
10 be more than happy to support you in that regard.

11           I know that Board Member Omumu mentioned  
12 buy/sell issues, and we are also very concerned about  
13 that, because when we have a closing date, it's got to be  
14 completed promptly because we have just done an inventory  
15 of all of our vehicles and parts, we need to close after  
16 that inventory is done.

17           Lienholders are at issue, buyers are at issue,  
18 sellers are at issue, the OEM is at issue, and we need to  
19 be able to have a certain date that we know we can close.

20           Otherwise, we're not going to be able to and it's going  
21 to be bad for not only us but all parties involved.

22           And I'm happy to answer any questions.

23           MR. BACARISSE: Members, any questions for Ms.  
24 Phillips?

25           (No response.)

1 MR. BACARISSE: Thank you for your comments,  
2 and we appreciate them, and you bring up some really  
3 important issues. Thank you.

4 Member Graham.

5 MR. GRAHAM: I think we need to make sure we  
6 have our heads around the timeline from the point of which  
7 someone goes and gets fingerprinted until the point at  
8 which DMV can access that, process that, approve that,  
9 because she's spot-on, when you have a transaction going  
10 on, I mean, it is not a week, it's not a day, it's an  
11 hour. There's a point in time that that dealership must  
12 transfer.

13 MR. BACARISSE: Right.

14 MR. GRAHAM: It is imperative that all of that  
15 be able to be done in advance, and I just want to make  
16 sure that we're not creating a real issue here.

17 MR. BACARISSE: Great. Ms. Johnston.

18 MS. JOHNSTON: Monique Johnston, for the  
19 record.

20 We already prioritize buy/sells as they are,  
21 making sure that they do close and we can approve those  
22 licenses on the day of the buy/sell, and we plan to  
23 continue that.

24 The fingerprints are going to be obtained as  
25 soon as the application is submitted. Those will be

1 obtained, they'll be given instructions to go get  
2 fingerprinted, they go to the appointment. Those results  
3 are supposed to be, from what DPS has told us, within a  
4 couple of days we get those results, look at those  
5 results, and move the application through as a priority as  
6 a buy/sell, just like we do without the fingerprints. So  
7 it would still be held as a priority in franchised  
8 applications.

9 MR. GRAHAM: And how far in advance can someone  
10 make application? What does that timeline look like?

11 MS. JOHNSTON: You can submit an application as  
12 early as you like. We work with the applicants and make  
13 sure that they're in the process to buy/sell, they provide  
14 us with the information, we're going to anticipate closing  
15 on this date, and then we just need a statement of when  
16 that closure -- you know, yes, the deal is closed and then  
17 we can approve the application. So they can start it  
18 earlier instead of maybe just a couple of weeks before the  
19 buy/sell, maybe 30 days, there's no restriction on that.

20 MR. GRAHAM: Okay. And what is the cost? I  
21 mean, I'm fingerprinted, but I just don't recall what the  
22 costs associated with that are.

23 MS. JOHNSTON: Monique Johnston, for the  
24 record.

25 It's \$38.25 per person, and it's paid directly

1 to the vendor at the time of fingerprinting.

2 MR. GRAHAM: And then the last comment I think  
3 I would have is I believe all franchised dealers are  
4 fingerprinted for one reason or another. Perhaps that's  
5 something we could look at going into next session to see  
6 if there is any possibility of working with DPS to have  
7 some sort of agreement to have access to that. Because I  
8 am thinking about my 88-year-old mom, and so that's going  
9 to be a project.

10 MR. BACARISSE: Yes, sir, yes, sir.

11 MR. GRAHAM: If we could not have to do that.  
12 Of course, we'll only have to do it once, so that's the  
13 good news. Anyway, okay. Thank you.

14 MR. BACARISSE: Yes, sir, Member Graham.

15 Mr. Avitia, did you have something you wanted  
16 to add?

17 MR. AVITIA: Yes, Chairman, thank you very  
18 much.

19 Chairman, members, I realize that this rule is  
20 pretty significant for the industry, and it is a shift, it  
21 is a change. Now, with regards specifically to franchised  
22 dealers, I want to submit to you that we will make this  
23 process as simple as possible.

24 We understand the importance of buy/sells, we  
25 understand the importance of opening the day that you need

1 to open. And I can tell you as a former Motor Vehicle  
2 Division director and as executive director, many of the  
3 attorneys involved in the buy/sell process call me  
4 directly and they say, Daniel, we need to open today, and  
5 there is significant communication between my office and  
6 Director Johnston's office to make sure that we do  
7 everything we can to support our franchised dealers in  
8 opening the day that they need to open.

9 To further that commitment and to make sure  
10 that we're not holding the process up in any way, shape,  
11 or form for franchised dealers, you'll look at our  
12 appropriations request, and more importantly, our  
13 exceptions request with regard to FTEs:

14 We are asking for nine additional FTEs  
15 specifically in Director Johnston's area in the Motor  
16 Vehicle Division to make sure that we keep those processes  
17 flowing and that fingerprinting isn't the holdup, nor is  
18 any part of that process the holdup for franchised  
19 dealers. Again, strong commitment to our franchised  
20 dealer community coming from the executive director's  
21 office.

22 MR. BACARISSE: Thank you, Mr. Avitia.

23 Members, any other questions on this item, this  
24 topic?

25 MS. AUCOIN: Aline Aucoin, for the record.

1           We have one more commenter on item number 5,  
2           it's Sgt. Escribano.

3           MR. BACARISSE: Great. Good morning, Sergeant.

4           SGT. ESCRIBANO: Good morning, Chairman.

5           My name is Sgt. Jose Escribano. I represent  
6           the Travis Count Constable's Office Precinct 3, and I'll  
7           be talking about item number 5.

8           First thing I would like to do is thank you,  
9           Mr. Bacarisse, Chairman Bacarisse, and the board for their  
10          tireless work over the last four or five months. It's  
11          just complete daylight what we have right now. I would  
12          also like to thank Director Avitia and his Deputy  
13          Executive Director Luna, and also I'd like to thank  
14          Director Corrie Thompson for their work on this and  
15          definitely on opening the portal, which is now on the  
16          testing phase and it's really, really working very, very  
17          well.

18          My comment on the GDN and the fingerprinting, I  
19          took in that the GDN and the representatives -- and I was  
20          kind of taken back a little bit because I don't really  
21          understand that portion of it -- I know they're going to  
22          be fingerprinting the new GDN, and I know they're going to  
23          be fingerprinting the current GDN, but if anybody else  
24          gets into the system, if you go to the manual of the Texas  
25          DMV webDEALER manual, it says that the GDN holders are the



1 administrator of the password, meaning that they can  
2 create a password and give somebody access that's not  
3 going to be fingerprinted.

4 In other words, I can go and give my authorized  
5 agents and make them have access to the system. So that  
6 would be something that I think would have to be  
7 addressed. We've already addressed some of that and we've  
8 addressed other issues that I can't discuss right now  
9 because we have an ongoing investigation.

10 Three weeks ago we went ahead and arrested one  
11 of the kingpins federally, because we had a case that we  
12 started back in 2018, and to bring something up to my  
13 colleague with the TADA, fingerprinting is the key,  
14 because it took us three years, 20-plus search warrants to  
15 Google and other outlets, email, so forth and so on, just  
16 to find this person which it could have been very simply  
17 done if that person had been fingerprinted.

18 Plus he had multiple GDN that we're uncovering.

19 Of course, this individual is now cooperating with us,  
20 and we'll have more information to work with Corrie and  
21 Director Luna and Director Avitia on this issue.

22 So again, we congratulate you for the efforts,  
23 it's been tremendous. The director and his staff have  
24 been tremendous on this, and we have some other issues  
25 that we're going to go ahead and address.

1           And also to address the TADA; there are other  
2 measures that we have discussed with the director on the  
3 tags themselves and being able to have some  
4 countermeasures and other measures in there, but the key  
5 is going to be you have to fingerprint whoever is going to  
6 go into that system, because if you do give them  
7 countermeasures -- let's say, for example, hypothetically  
8 you issue a certain type of paper that has certain  
9 parameters in it and you issue it to a dealer and he does  
10 50 cars a year, well, that person again now would have  
11 access to that paper or that information, or they would  
12 give it to somebody that has not been fingerprinted and  
13 they can distribute that.

14           We do know that the cartel --

15           MS. AUCOIN: Aline Aucoin, for the record.

16           Your time is up. I'm sorry.

17           MR. BACARISSE: Go ahead, you can wrap you  
18 sentence, your thought here.

19           SGT. ESCRIBANO: We know that the cartels and  
20 other criminal organizations do get individuals and you're  
21 not going to stop that, and especially when I was in  
22 Brownsville looking at dealers that will go ahead and be  
23 cooperative with them, and that you're not going to stop.

24           But fingerprinting for sure will at least  
25 assist us, anybody going into that system, and I mean

1 anybody that's going to use it, just like we have to be  
2 fingerprinted to use TLETS.

3 That's my comments.

4 MR. BACARISSE: Thank you, sir, appreciate it.  
5 Members, any questions for Sgt. Escribano?

6 (No response.)

7 MR. BACARISSE: No? Okay.

8 Thank you, sir, appreciate it.

9 MR. BACARISSE: Vice Chair McRae, did you have  
10 a question and a request?

11 MS. McRAE: I would like to request to talk to  
12 Aline. Can we take a break?

13 MR. BACARISSE: Yes, we can. It is right now  
14 9:46. We're going to take about a five-minute -- will  
15 that work?

16 MS. McRAE: That will work.

17 MS. McRAE: That will work.

18 MR. BACARISSE: Five-minute break. We're in  
19 recess for five minutes.

20 (A brief recess was taken.)

21 MR. BACARISSE: It is 9:51 a.m., and I'm now  
22 calling the public meeting of the Texas DMV back to order  
23 after a brief pause.

24 I think Member McRae has a question that she'd  
25 like to pose, so you have the floor, Member McRae.

1 MS. McRAE: Yes. Monique, I have a question.  
2 Thank you for your presentation. I think it was very  
3 thorough, but I do have a question about the effective  
4 date, September 1. After listening to our law  
5 enforcement, is there any way that the agency could move  
6 this forward quicker than the September 1 date?

7 MS. JOHNSTON: Monique Johnston, for the  
8 record.

9 The anticipated IT launch with all the  
10 enhancements in order for us to be able to track  
11 fingerprinting is July 25, and so we were going to use  
12 August to make sure there were no bugs or problems with  
13 the system and make sure everything kind of ran smoothly  
14 and get staff trained on using it, but we could  
15 potentially launch earlier; yes, we could start earlier if  
16 everything goes smoothly during the July 25th launch.

17 MS. McRAE: Okay. I understand there's  
18 protocols that you have to follow, but if at all possible,  
19 as soon as we possibly could, I think that would be  
20 beneficial to the agency, to our law enforcement, and of  
21 course, I realize we'd have to communicate it to our  
22 dealer community as well.

23 MS. JOHNSTON: Correct. Monique Johnston, for  
24 the record.

25 Correct. And absolutely we'll definitely look

1 and see if we can launch any sooner once the IT  
2 enhancements go through on the 25th of July.

3 MS. McRAE: Thank you.

4 MR. BACARISSE: Great, thank you. Any other  
5 questions, members, on that point?

6 Yes, Member Scott.

7 MR. SCOTT: Monique, my question is if we say  
8 September 1 -- no later than September 1 but as soon as  
9 possible, is that something that we need to clean up here  
10 or could that be done by staff, or how does that happen?

11 MR. BACARISSE: Aline, do you want to give some  
12 counsel on that?

13 MS. AUCOIN: Aline Aucoin, for the record.

14 So the issue is that we need to give a clear  
15 date to the affected industries so that they can act  
16 accordingly. And I mean, definitely the rule could be  
17 effective 20 days after we file it with the *Texas*  
18 *Register*.

19 We could file the rule as soon as tomorrow, and  
20 the 20 days starts to count from the date of filing.  
21 That's just the issue. We need to give a clear date to  
22 the regulated industry on when this will apply, and  
23 whatever the effective date is, any applications submitted  
24 on or after that date would be governed by this rule.

25 MR. BACARISSE: I think we may also consider

1 the fact that not only is there technology but there's  
2 also the human element of training and resource. The  
3 question is do you have the staff currently to be able to  
4 manage that additional process?

5 And what I don't want to see happen, and I  
6 don't think anybody here does, is this new rule gets  
7 adopted and it creates a backlog or some sort of problem  
8 in managing the new process. So let's speak to that a  
9 little bit as well, if you would, Monique.

10 MS. JOHNSTON: Monique Johnston, for the  
11 record.

12 Absolutely. Yes, we are using current  
13 resources in order to implement fingerprinting. We have  
14 reallocated resources and made some reorganizational  
15 changes for the process to accommodate the fingerprinting,  
16 so we have moved some resources and we do have one  
17 designated FTE that will be assisting with the fingerprint  
18 process.

19 Is this enough? I can't speak to that until  
20 the process is actually going through, but we have already  
21 fleshed out how the process is going to work, and just as  
22 it was with the max tag limits that we implemented and  
23 monitoring those, it's going to be all hands on deck, and  
24 as Director Avitia said, we are asking for additional  
25 people.

1           But I will have to say it probably will delay,  
2 of course, a little bit of the processing time, but we're  
3 going to try to get it done as efficiently and as quickly  
4 as possible.

5           MR. BACARISSE: Great.

6           Members, anything else on this one?

7           MR. GRAHAM: I have one last question for  
8 Monique.

9           MR. BACARISSE: Member Graham.

10          MR. GRAHAM: And I support this 100 percent; I  
11 think it is yet another strong foundational block to  
12 shoring up what's been a pretty leaky system.

13          Just would you clarify, I know there's a  
14 section -- it's my understanding a section in the Code  
15 411.087 that allows for an exception of the requirements  
16 for fingerprints if someone is already fingerprinted by  
17 DPS. I presume that would -- I mean, are you familiar  
18 with that? I mean, I'm just curious. It sounds like the  
19 Government Code already says if you're already  
20 fingerprinted, that's allowable. I just thought I'd ask.

21          MS. AUCOIN: Aline Aucoin, for the record.

22          The provision that you're talking about does  
23 not apply to DMV. It only applies to certain agencies and  
24 it deals with child support issues, and DMV is not one of  
25 those agencies.

1           But you are right, there is a provision that  
2 allows certain agencies to not require their applicants to  
3 submit fingerprints again if they're on file, but DMV is  
4 not one of those agencies.

5           MR. GRAHAM: Okay. Thank you.

6           MR. SCOTT: Follow-up question if I could.

7           MR. BACARISSE: Yes, Member Scott.

8           MR. SCOTT: Monique, when you say we could  
9 publish it or it could be effective in 20 days, but we  
10 don't have the software, we don't have the people, we  
11 can't do it in 20 days.

12           And following up from what we've been told, we  
13 do have to set a specific date. Correct? Otherwise,  
14 because if we say 20 days from today and we don't have our  
15 software and stuff ready and this person applies, then  
16 they're covered by the fingerprint requirement rule but we  
17 don't have the ability to process that application until  
18 we're ready.

19           So my comment, it makes sense to me that if we  
20 set a specific date that we need to set and set it  
21 according based on when we know we'll be ready to go.  
22 Right?

23           MS. JOHNSTON: Monique Johnston, for the  
24 record.

25           That's correct, and when we were evaluating the



1 process, the release of the IT enhancements and the time  
2 frame to kind of flesh out any potential bugs or errors or  
3 things that did not quite work properly and get staff  
4 properly trained and have the person we're reallocating to  
5 fingerprints 100 percent available to do the job,  
6 September 1 seemed like the most appropriate date at that  
7 time.

8 MR. BACARISSE: And folks, just let me say  
9 that's two months, and it's summer and people are on  
10 vacation, and it's going to go faster than we think.  
11 That's my view. Charles Bacarisse, for the record.

12 MS. GILLMAN: Mr. Chairman?

13 MR. BACARISSE: Member Gillman.

14 MS. GILLMAN: When appropriate, I'd like to  
15 make a friendly amendment.

16 MR. BACARISSE: Aline, are we at that point? I  
17 think we are. Right? I kind of lost track, to be honest  
18 with you. We had comments, there is a motion on the  
19 table. The maker of the motion could listen.

20 MS. AUCOIN: There is a motion on the table.  
21 If the maker of the motion is agreeable, they could accept  
22 a friendly amendment.

23 MR. BACARISSE: She could hear it and then  
24 decide to accept or not.

25 MS. AUCOIN: Or reject it.

1 MR. BACARISSE: Yeah, okay. So that's up to  
2 you, Member McRae.

3 MS. McRAE: I would like to hear your friendly  
4 amendment.

5 MS. GILLMAN: Thank you, Board Member McRae.

6 Number one, I'd like to make exempt any dealer  
7 that has previously submitted fingerprints and on record  
8 with the DPS. That is number one.

9 And number two, because people are not only out  
10 of the state but also out of the country for the summer, I  
11 would extend the deadline to October 1. I know folks out  
12 of the country for the summer.

13 MR. SCOTT: Can I comment?

14 MR. BACARISSE: If there's a friendly amendment  
15 that's been offered, the maker of the amendment first  
16 needs to decide whether to accept or reject. Is that  
17 correct?

18 MS. AUCOIN: Correct. The maker of the motion  
19 would need to decide to accept or reject, and they would  
20 also have to be a second to that friendly amendment if the  
21 maker agrees to the friendly amendment.

22 MR. BACARISSE: Right. Okay, so the decision  
23 is where with Ms. McRae.

24 MS. AUCOIN: And I guess legally I would  
25 reiterate what Monique correctly said is that just because

1 fingerprints are on file with DPS for one agency, that  
2 does not -- it's not acceptable for DMV. Those  
3 fingerprints can't be used by DMV.

4 MR. BACARISSE: They cannot be shared.

5 MS. AUCOIN: Cannot be shared.

6 MR. BACARISSE: Under correct statute. Is that  
7 correct? It's not a rule, it's statute. Is that correct?

8 MS. JOHNSTON: That's correct.

9 MR. BACARISSE: Just to clarify. So it's with  
10 you, Ms. McRae.

11 MS. McRAE: Thank you, Chairman.

12 Member Gillman, I appreciate your comments and  
13 understand your concerns; however, I'm going to reject  
14 your friendly amendment.

15 MR. BACARISSE: Okay. Members, any other  
16 questions? Otherwise, I would entertain a call to vote.

17 (No response.)

18 MR. BACARISSE: Are we ready to vote?

19 Member Scott, you're good?

20 MR. SCOTT: No, I'm fine.

21 MR. BACARISSE: All right. So I will call a  
22 vote at this point then, please, on the motion. Would  
23 members like it restated or are we good?

24 MR. GRAHAM: Please.

25 MR. BACARISSE: Member McRae, would you restate

1 your motion as you first made it, please?

2 MS. McRAE: I move that the board approve the  
3 adoption of New Section 211.6 concerning fingerprint  
4 requirements for licensing applicants for franchised and  
5 independent dealer general distinguishing numbers, as  
6 recommended by staff, with an effective date of September  
7 1, 2022. I also move that the board grant the department  
8 the ability to make changes to the adopted changes based  
9 on nonsubstantive corrections made by the *Texas Register*.

10 MR. BACARISSE: There is a motion and a second.  
11 I am now going to call for the vote.

12 Board Member Alvarado?

13 MR. ALVARADO: Aye.

14 MR. BACARISSE: Board Member Gillman?

15 MS. GILLMAN: Nay.

16 MR. BACARISSE: Board Member Graham?

17 MR. GRAHAM: Aye.

18 MR. BACARISSE: Board Member McRae?

19 MS. McRAE: Aye.

20 MR. BACARISSE: Board Member Omumu?

21 MS. OMUMU: Aye.

22 MR. BACARISSE: Board Member Prewitt?

23 MR. PREWITT: Aye.

24 MR. BACARISSE: Board Member Ramirez?

25 MR. RAMIREZ: Aye.

1 MR. BACARISSE: Board Member Scott?

2 MR. SCOTT: Aye.

3 MR. BACARISSE: And I, Chairman Bacarisse, vote  
4 aye as well. Let the record reflect that there are eight  
5 votes for and one against, and this motion passes. Thank  
6 you, members.

7 We're going to move now on to agenda item  
8 number 6.

9 MR. SCOTT: Excuse me, Mr. Chairman.

10 MR. BACARISSE: Yes, I'm sorry. Member Scott.

11 MR. SCOTT: Could I ask a question for Monique?

12 MR. BACARISSE: Absolutely. Ms. Johnston.

13 MR. SCOTT: If a dealer has multiple licenses,  
14 do they all have the same expiration date?

15 MS. JOHNSTON: Monique Johnston, for the  
16 record.

17 No. It would depend on when they applied for  
18 those licenses.

19 MR. SCOTT: Okay. Thank you.

20 MS. GILLMAN: Can I say one other thing?

21 MR. BACARISSE: Yes, Member Gillman.

22 MS. GILLMAN: As a final. I hope you know from  
23 my previous comments that I applaud the efforts of law  
24 enforcement and DMV for making our dealer application  
25 process really strong, and I don't mind at all getting a

1 reputation.

2 Having a dealer license is a privilege and I  
3 respect that so much, and I voted nay because I am  
4 concerned that fingerprinting is not really going to solve  
5 the problem, but certainly the overall objective of  
6 helping keep the dealer licensing process strong and  
7 making it difficult is a good thing. So I applaud DMV and  
8 DPS for their efforts in that regard.

9 MR. BACARISSE: Member Gillman, if I may speak.

10 In the short time that I've been on this board, I am  
11 still learning a lot, and I have learned a lot from you  
12 about the challenges of running a franchised auto  
13 dealership.

14 I've only scratched the surface, but I see the  
15 pressure points and the economic issues in play, the  
16 personnel issues, all of this is incredibly complex. And  
17 I want to see our state remain a pro-business, low  
18 regulation state, certainly, and I am with you in that,  
19 and I applaud you and your efforts. You're a great member  
20 of this board and we love you and appreciate you. So we  
21 want you to feel free to represent your point of view and  
22 your industry on this board. It's important.

23 MS. GILLMAN: Thank you.

24 MR. BACARISSE: You're a big part of the state  
25 and the state's economy, so I want you to know the respect

1 that each of us have for you. All right?

2 MS. GILLMAN: Thank you.

3 MR. BACARISSE: That's my opinion only. Thank  
4 you.

5 Members, anything else on this item?

6 (No response.)

7 MR. BACARISSE: All right. Item number 6, we  
8 are going to hear from Andrew Kang, I believe. Right?

9 Andrew, come on up. Thank you.

10 MR. KANG: Good morning, Chairman, members and  
11 Director Avitia.

12 Today I'm here to present for consideration  
13 today the Proposed Rule 215.207 for adoption, which  
14 implements House Bill 3514, which passed in the last  
15 regular session.

16 HB 3514 amended Occupations Code 2301.71 to  
17 authorize the chief hearings examiner to designate a  
18 person to decide a motion for rehearing. Previously the  
19 statute only allowed the chief hearings examiner to decide  
20 motions for rehearing, but the board recommended to the  
21 legislature to allow the hearings examiner to designate  
22 another person to decide motions for rehearing for  
23 purposes of efficiency, continuity, and also to avoid any  
24 possible bias from the hearings examiner deciding his own  
25 motion for rehearing or another decision that he made.

1                   And the rule also makes some additional  
2 nonsubstantive changes to conform to the current practice  
3 and statutory language, and the rule itself follows the  
4 statutory language as amended by the legislature last  
5 session.

6                   The rule was published in the *Texas Register* on  
7 April 29, and there were no comments. This rule is far  
8 less controversial than the last one, so I assure you will  
9 go a lot faster.

10                   (General laughter.)

11                   MR. KANG: So today we're asking the board to  
12 adopt Rule 215.207 and have it filed with the Secretary of  
13 State for publication in the *Texas Register*, and that  
14 concludes my presentation. If there are any questions,  
15 I'm glad to answer them.

16                   MR. BACARISSE: Thank you, Mr. Kang.

17                   Members, any questions for Mr. Kang on agenda  
18 item 6?

19                   (No response.)

20                   MR. BACARISSE: Hearing none, the chair would  
21 entertain a motion on agenda item 6, please.

22                   MR. SCOTT: Mr. Chairman?

23                   MR. BACARISSE: Yes, Member Scott.

24                   MR. SCOTT: I move the board approve the  
25 adoption of amendments to Section 215.207 concerning final



1 orders for contested cases, as recommended by staff. I  
2 also move that the board grant the department the ability  
3 to make changes to the adopted section based on  
4 nonsubstantive corrections made by the *Texas Register*.

5 MR. BACARISSE: Is there a second for this  
6 motion?

7 MR. RAMIREZ: I second.

8 MR. BACARISSE: Member Ramirez is the second.  
9 Any questions for Mr. Kang on this?

10 (No response.)

11 MR. BACARISSE: Is there any public comment on  
12 this item 6?

13 MS. AUCOIN: Aline Aucoin, for the record.  
14 No public comment.

15 MR. BACARISSE: Okay. Any questions, any  
16 further discussion on this agenda item?

17 (No response.)

18 MR. BACARISSE: All right. Seeing none, I will  
19 call for the vote, please.

20 Member Alvarado?

21 MR. ALVARADO: Aye.

22 MR. BACARISSE: Member Gillman?

23 MS. GILLMAN: Aye.

24 MR. BACARISSE: Member Graham?

25 MR. GRAHAM: Aye.

1 MR. BACARISSE: Member McRae?

2 MS. McRAE: Aye.

3 MR. BACARISSE: Member Omumu?

4 MS. OMUMU: Aye.

5 MR. BACARISSE: Member Prewitt?

6 MR. PREWITT: Aye.

7 MR. BACARISSE: Member Ramirez?

8 MR. RAMIREZ: Aye.

9 MR. BACARISSE: Member Scott?

10 MR. SCOTT: Aye.

11 MR. BACARISSE: And I, Chairman Bacarisse, vote  
12 aye as well. This is unanimous. Thank you very much.

13 MR. KANG: Thank you.

14 MR. BACARISSE: Yes, sir.

15 MR. SCOTT: Mr. Chairman?

16 MR. BACARISSE: Yes, Member Scott.

17 MR. SCOTT: Can I have one more question for  
18 Monique?

19 MR. BACARISSE: Oh, sure. Monique, you need to  
20 just get you a front row seat here.

21 (General laughter.)

22 MR. SCOTT: My question is if I have an  
23 existing license and my license is not up for renewal for  
24 a period of time, like a year or so, can I now -- knowing  
25 that I'm going to have to be fingerprinted when my license

1       renews, can I go in now at some time and get my  
2       fingerprints done and sent to DMV so that they're on  
3       record when my application comes up for renewal?

4               MS. JOHNSTON: Monique Johnston, for the  
5       record.

6               If you're an existing licensee, there would not  
7       be anything in DPS's requirements that would disallow  
8       that. We could provide you with the information and you  
9       could go ahead and get fingerprinted so they would be on  
10      file. But any new applicants, they would not be able to  
11      get fingerprinted until they actually submitted the  
12      application.

13              MR. SCOTT: Just speaking for existing dealers.

14              MS. JOHNSTON: Correct. If you're an existing  
15      licensee, you could do that.

16              MR. SCOTT: Again, as we talked about, there  
17      might be multiple people involved in the processing of  
18      that dealership license, so rather than wait two weeks or  
19      three weeks before, since you know that you're going to  
20      have to do that, you could be gathering all that stuff in  
21      advance and having it on file with the agency, right, with  
22      the department?

23              MS. JOHNSTON: Monique Johnston, for the  
24      record.

25              Absolutely. We are not authorized to publish

1 any of the information on the website that you would need  
2 to go get fingerprinted. There's a specific ID that we  
3 have to provide and that is due to DPS restrictions. They  
4 don't want people getting fingerprinted and then not  
5 submit an application. That would ding us in an audit.

6 However, someone could reach out to us if  
7 they're a current licensee, and we could provide that  
8 information to them if they would like to go ahead and get  
9 the fingerprinting process started.

10 MR. SCOTT: Okay. Thank you very much.

11 MR. BACARISSE: Okay. Good to know. Thank  
12 you.

13 We'll now move to agenda item 7, and I would  
14 like to ask Corrie Thompson to come up and lay that item  
15 out for us, please.

16 Good morning.

17 MS. THOMPSON: Absolutely. Good morning,  
18 Chairman, members, Director Avitia. I'm Corrie Thompson,  
19 the director of the Enforcement Division, and I have  
20 agenda item 7, which starts on page 17 in your board  
21 books.

22 Before you is a recommendation to adopt  
23 amendments to New Rule 215.505. The amendments are going  
24 to clarify some rule text that contains the process for  
25 denial of access to the temporary tag database when a

1 dealer has been found to have fraudulently issued tags  
2 from that system.

3 And the amendments do three things: We're  
4 correcting a statutory citation within the text; we're  
5 adding some parentheses around one of the examples that  
6 constitute fraudulent issuance to provide clarity about  
7 when a vehicle is considered to be in a dealer's  
8 inventory; and then in the listing of the three items that  
9 can constitute fraudulent issuance, between the second and  
10 third item we're replacing the word "and" with "or" to  
11 make those individual instances that can constitute  
12 fraudulent issuance rather than three instances in one.

13 There's no significant fiscal impact associated  
14 with the amendments, and back at the April 14 board  
15 meeting, the board authorized the department to adopt the  
16 amendments through an emergency rule, and you also  
17 authorized us to go through the regular rulemaking process  
18 and have this rule published in the *Texas Register* for  
19 public comment.

20 That emergency rule went into effect the day of  
21 the last board meeting, so April 14 the rule was  
22 effective; however, the proposed amendments were then  
23 published in the *Texas Register* in the April 29 issue.  
24 The comment period closed May 29 of 2022 and the  
25 department did not receive any comments so the text

1 remains unchanged.

2           So I'm happy to answer any questions you may  
3 have, but if there are none, then I would ask for approval  
4 to both adopt the amendments and approve the publication  
5 of the order of adoption in the *Texas Register*.

6           MR. BACARISSE: Great. Members, any questions  
7 for Ms. Thompson on this point?

8           MS. GILLMAN: Yes.

9           MR. BACARISSE: Yes, Member Gillman.

10          MS. GILLMAN: Can you clarify for me what page  
11 where it explains when a vehicle is presumed to not be in  
12 the dealer's inventory?

13          MS. THOMPSON: Yes. Let me get to rule text  
14 again. Corrie Thompson, for the record.

15          Rule text starts on page 22 in your board book,  
16 line 7, so this is the second example. The first example  
17 is you've issued an excessive number of temporary tags;  
18 number 2, temporary tags for a vehicle or vehicles not in  
19 a dealer's or converter's inventory (a vehicle is presumed  
20 not to be in a dealer's or converter's inventory if it's  
21 not listed in their relevant monthly vehicle inventory tax  
22 statement).

23          We've included that example because the vehicle  
24 inventory tax statements are an element of evidence that  
25 the investigators collect to compare vehicles actually

1 listed on those documents to tags issued from the  
2 temporary tag database.

3 And so that's one way that we gather evidence  
4 to determine if what you're reporting on that document  
5 matches the number of tags that you've issued from the  
6 system.

7 MS. GILLMAN: Well, she said a lot, and I'm not  
8 sure I understand.

9 MR. BACARISSE: Well, let's break it down. Go  
10 ahead.

11 MS. GILLMAN: One thing that's going on in my  
12 head is that right now almost 100 percent of what I'm  
13 selling is inbound units; I don't have any on the ground.

14 And so I have a sheet that tells me what's  
15 incoming, and sometimes I pay for the vehicle when it  
16 leaves the plant in Ohio, but the evening it arrives it's  
17 a celebration and my customer comes to the store and they  
18 pick it up.

19 So explain to me again access to the temporary  
20 tag system. I don't really understand if what I just  
21 described is violation of this new proposal.

22 MS. THOMPSON: Corrie Thompson, again for the  
23 record. I may be able to provide some clarity.

24 Again, I would like to point back to the fact  
25 that this rule speaks directly to when we are seeking to

1 deny access to someone to the temporary tag database who  
2 has been found that there is evidence of fraudulent  
3 issuance.

4 And so to even get to the point where we're  
5 using this rule, we have to have some indicator that  
6 there's fraudulent issuance of temporary tags from the  
7 database. And so based on our historic knowledge of  
8 dealers that have actually been found to have fraudulently  
9 issued tags, this has been a helpful point of evidence for  
10 us.

11 Obtaining a vehicle in your inventory, as you  
12 stated, yes, that's the normal process. I would not say  
13 that that is a point in time that we would be looking for  
14 any evidence of fraudulent issuance of temporary tags from  
15 the system. We have to have evidence of that first before  
16 we step into this rule to look at that.

17 MS. GILLMAN: I'm imagining that the reason  
18 this exists is that if a dealer is issuing 10,000 tags and  
19 they're only selling ten vehicles.

20 MS. THOMPSON: Or none.

21 MS. GILLMAN: Or none. I just was wondering if  
22 I was going to be a violator.

23 MS. THOMPSON: I cannot comment on every  
24 specific instance of a dealer taking a vehicle into their  
25 inventory, but as you had stated the normal process, if



1 perhaps you found yourself as part of an investigation,  
2 there's always an opportunity on the dealer's side to  
3 provide proof that a vehicle was in their inventory that  
4 would negate any action taken by the department under this  
5 rule.

6 But I would say under the circumstances that  
7 you outlined, you would not find yourself in this rule as  
8 part of the subject of an investigation.

9 MS. GILLMAN: Thank you for the clarification.

10 MR. BACARISSE: It's tricky, it's very tricky.

11 Business is challenging these days.

12 Any other questions, members, of Ms. Thompson  
13 on this item?

14 (No response.)

15 MR. BACARISSE: Hearing none and seeing none,  
16 the chair would entertain a motion on agenda item 7.

17 MR. ALVARADO: Mr. Chair, I'd like to make a  
18 motion, please.

19 MR. BACARISSE: Yes, Mr. Alvarado.

20 MR. ALVARADO: I move that the board approve  
21 the adoption of amendments to Section 215.505 concerning  
22 denial of access to the temporary tag system, as  
23 recommended by staff, and I also move that the board grant  
24 the department the ability to make changes to the adopted  
25 section based on nonsubstantive corrections made by the

1 *Texas Register.*

2 MR. BACARISSE: Thank you, Member Alvarado.

3 Is there a second to this motion?

4 MS. OMUMU: Mr. Chairman, I'll second.

5 MR. BACARISSE: Okay. Member Omumu seconds.

6 Thank you.

7 Any further discussion?

8 (No response.)

9 MR. BACARISSE: Is there any public comment on  
10 this issue, Ms. Aucoin?

11 MS. AUCOIN: Aline Aucoin, for the record.

12 We have two commenters on this agenda item.

13 The first commenter is David Kohler.

14 MR. BACARISSE: Great. Mr. Kohler.

15 MR. KOHLER: David Kohler again, for the  
16 record. Thank you again.

17 I just want to say I appreciate Director  
18 Thompson's diligence in staying on top of this language to  
19 strengthen 3927, and I believe it was 75 or 79 GDN have  
20 been denied since this rule has been implemented. Kudos  
21 to the staff and to the board.

22 And just the board's reminder and staff  
23 reminder, 3927, the original intent was never about  
24 franchised dealers; it was about weeding out these 75 and  
25 79 to give y'all the strength and the power to do that,

1 because in the four years that I've been doing these paper  
2 tags, two franchised dealers that I've come across have  
3 made some minor mistakes. Do I want their access turned  
4 off? No. DMV can deal with them administratively.

5 So thank you again.

6 MR. BACARISSE: Thank you, Mr. Kohler.

7 Any other comments?

8 MS. AUCOIN: Aline Aucoin, for the record.

9 We have one more commenter, Sgt. Escribano.

10 MR. BACARISSE: Great. Sergeant.

11 SGT. ESCRIBANO: Sgt. Escribano, Constable's  
12 Office, Precinct 3 in Travis County.

13 Thank you, Mr. Chairman, thank you, board for  
14 allowing me to comment on number 7. I'd like to comment  
15 that thank you, Director Thompson, for clarifying this.  
16 This does a great deal for us. We have in the past made  
17 cases here in Travis County on the inventory tax. It's a  
18 key component of the investigation, like the director went  
19 ahead and promoted.

20 If your vehicles are in transit, Ms. Gillman, I  
21 don't think you would have to worry about it. They would  
22 have to be at the location for you to actually put those  
23 down on your inventory, and again, franchised dealers are  
24 not the problem.

25 We did have a dealer here in town that we went

1 ahead and filed on for that specific one, and he never had  
2 any inventory whatsoever, in transit or there. So I think  
3 this is a key component clarifying that that's going to  
4 give us one more tool that we can actually utilize when  
5 we're dealing with them either here in Travis County or  
6 other places.

7 So law enforcement thanks Ms. Thompson and  
8 again the director for your efforts. Thank you very much.

9 MR. BACARISSE: Great. Thank you, Sergeant.

10 Any questions, members?

11 (No response.)

12 MR. BACARISSE: Okay. Thank you, sir.

13 All right. Any other public comment Aline? Is  
14 that it?

15 MS. AUCOIN: Aline Aucoin, for the record.

16 No more public commenters.

17 MR. BACARISSE: Okay. Thank you.

18 We have a motion and a second for this item.

19 Any further discussion amongst members?

20 (No response.)

21 MR. BACARISSE: Seeing none, hearing none, I  
22 will call for the vote, please.

23 Member Alvarado?

24 MR. ALVARADO: Aye.

25 MR. BACARISSE: Member Gillman?

1 MS. GILLMAN: Aye.

2 MR. BACARISSE: Member Graham?

3 MR. GRAHAM: Aye.

4 MR. BACARISSE: Member McRae?

5 MS. McRAE: Aye.

6 MR. BACARISSE: Member Omumu?

7 MS. OMUMU: Aye.

8 MR. BACARISSE: Member Prewitt?

9 MR. PREWITT: Aye.

10 MR. BACARISSE: Member Ramirez?

11 MR. RAMIREZ: Aye.

12 MR. BACARISSE: Member Scott?

13 MR. SCOTT: Aye.

14 MR. BACARISSE: And I, Chairman Bacarisse, vote  
15 aye as well. It's unanimous.

16 Thank you, Corrie, appreciate it.

17 All right. We now move to rule proposals,  
18 agenda item number 8, and we'll turn it over to Roland  
19 Luna, Sr.

20 Mr. Luna.

21 MR. LUNA: Good morning, Chairman Bacarisse,  
22 Vice Chair McRae, Board members, Executive Director  
23 Avitia. Roland D. Luna, Sr., Vehicle Titles and  
24 Registration Division director.

25 This is agenda item number 8. and a

1 supplemental packet was provided to you. The agenda item  
2 before you is a request from the Vehicle Titles and  
3 Registration Division for approval of the proposed  
4 amendments to new sections of Texas Administrative Code  
5 217.122 through 217.132 related to the implementation of  
6 Senate Bill 15, also known as the Texas Consumer Privacy  
7 Act Phase 1, from the 87th Legislature, concerning the  
8 disclosure of personal information from the department's  
9 motor vehicle records in accordance with the board's  
10 statutory authority. The amendments submitted for your  
11 consideration can be referenced in the supplemental file  
12 that was provided to you.

13 SB 15, Transportation Code 730 implements  
14 Section 18, United States Code Chapter 123, also known as  
15 the Driver's Privacy Protection Act, DPPA, in the interest  
16 of individuals and their personal privacy by limiting the  
17 disclosure and the use of personal information contained  
18 in motor vehicle records.

19 SB 15 amended multiple sections of the  
20 Transportation Code in 730 and created new sections,  
21 including creating additional criminal offenses and  
22 increasing the punishment for existing criminal offenses.

23 Transportation Code 730, in conjunction with  
24 applicable rules, addresses situations where the  
25 department is required to disclose motor vehicle records

1 and when the department is permitted to disclose motor  
2 vehicle records.

3 And for these situations where the department  
4 is permitted to disclose motor vehicle records, the rules  
5 speak to the procedures for which persons or entities may  
6 access motor vehicle records, the associated cost with  
7 those records, documentation that's required to prove the  
8 permitted use, the limitations on redisclosure of personal  
9 information, what records are required to be maintained,  
10 and how may disclose personal information, the  
11 department's ability to review maintained records by a  
12 particular entity, the ineligibility to receive motor  
13 vehicle records, the ability to access motor vehicle  
14 records after termination, and the requirements related to  
15 the provision of an annual report for those who access  
16 motor vehicle records, the annual report being a new  
17 section.

18 Various definitions were revised under 217.122  
19 to implement SB 15 and to add clarity and consistency.  
20 New definitions were added that represent the various  
21 products available for access to motor vehicle records  
22 under a service agreement. New definitions were created  
23 for signature batch inquiry, MVInet access, bulk contract,  
24 and several other definitions.

25 Other rule revisions included 217.123, Access

1 to Motor Vehicle Records. This particular rule describes  
2 the procedures required to access individual motor vehicle  
3 records. And while the rule edits related to law  
4 enforcement are not required to implement SB 15, the  
5 department had an opportunity to address obstacles related  
6 to requests for motor vehicle records from law  
7 enforcement.

8           Currently law enforcement can access motor  
9 vehicle records by providing a copy of their credential,  
10 and after their law enforcement credential, which contains  
11 personal information, their height, weight, things that  
12 are required for a law enforcement credential, to include  
13 their personal identification number that is regulated by  
14 the Texas Commission on Law Enforcement.

15           Currently, and prior to SB 15 and the  
16 development of these rules, we would obtain a copy of  
17 their law enforcement credential and then provide them  
18 with the motor vehicle records that they needed to further  
19 criminal investigation.

20           While we had the hood open, it made practical  
21 sense to partner differently with law enforcement, given  
22 the challenges that we've had in the temporary tag space,  
23 and this was an excellent opportunity for us to do that.  
24 So what we have done in particular to 217.123, Access to  
25 Motor Vehicle Records for law enforcement access, they can



1 continue to provide a copy of their credential.

2 Another method that was created is they can  
3 provide an electronic request on agency letterhead. They  
4 can provide that same request from a commanding officer,  
5 with someone in the command staff, or they can provide a  
6 verbal request for information.

7 And to talk about how the verbal request would  
8 be operationalized, we're seeing that now in our pilot  
9 with the law enforcement analyst group that is under  
10 Corrie Thompson's leadership in the Enforcement Division.

11 There is a verification form that is submitted by the law  
12 enforcement officer that gives him the opportunity to  
13 access information verbally.

14 And I'll give you an example of how this plays  
15 out in practice. Let's say that there is an ongoing  
16 criminal investigation involving an auto theft ring and  
17 there is some type of covert operations that are being  
18 conducted by a law enforcement agency.

19 Well, if they have already been verified and  
20 their identity has already been verified with the  
21 department with the Enforcement Division and we know that  
22 they are a legitimate law enforcement officer and they  
23 need real-time information while they're conducting some  
24 type of undercover operation, they need ownership  
25 information for a particular vehicle, they need research

1 conducted for a particular vehicle, they only have a few  
2 conditions of the vehicle, like the color of the vehicle,  
3 the location that it was in and a partial plate, well,  
4 then that information can be communicated to the  
5 Enforcement Division and the law enforcement analyst  
6 group, and then the research can be conducted and provided  
7 to the officer verbally.

8 That is a much better way of helping further  
9 criminal investigations when officers are not in a  
10 position to provide a copy of their credentials or to  
11 submit an email or to obtain a letter from their command  
12 staff or their commanding officer.

13 And while the pilot program has been underway,  
14 the initial feedback from the Enforcement Division, as  
15 well as those officers that are part of the pilot program,  
16 is it is working wonderfully. Like any soft launch, there  
17 are some things that we've identified that we want to  
18 improve, but the initial feedback has been very positive.

19 Moving on to the types of motor vehicle access.

20 This section of the rule also addresses access to motor  
21 vehicle records under a service agreement, and we have a  
22 service agreement for the various types of access.  
23 There's MVInet access; MVInet access is something that  
24 dealers utilize now. We also have batch inquiry, master  
25 file weekly updates, dealer supplemental file, eTAG files,

1 and special plate files.

2 217.131, which is another new section, this is  
3 a new rule to address SB 15 changes to Chapter 730 related  
4 to access to motor vehicle records in bulk under contract,  
5 and with this particular section we needed to properly  
6 identify what constitutes bulk records.

7 And in close partnership with the General  
8 Counsel's Office, as well as our rule development team, we  
9 spent an extensive amount of time determining what  
10 constitutes bulk records; that's 250 records or more.

11 And the reason why we arrived at the 250  
12 records or more is because this is consistent with other  
13 sections, with other statutes and codes so it made  
14 business sense for us to have some consistency.

15 In 217.132, the annual report is also a new  
16 section, and this addresses the provisions required of  
17 those that receive bulk records. They're required to  
18 produce an annual report by October 1 of each year.

19 That doesn't prevent the agency at any point  
20 from requesting information from any of those entities  
21 that have access to bulk record throughout the year. What  
22 the annual report does is it provides a consistent  
23 deadline for anyone that has access to bulk records so  
24 that our contract monitoring unit can review those annual  
25 reports accordingly.

1           In Section 217.126, SB 15 removed references to  
2 resale of personal information for motor vehicle records  
3 and only references redisclosure.

4           In 217.127, this section touches on records  
5 maintained by recipients who redisclose personal  
6 information and all references to resale were removed from  
7 the current rule language to be consistent with statute.

8           In 217.131, Notices regarding unauthorized  
9 recipient. This is a new rule to implement SB 15's  
10 requirement that the department create rules to require  
11 the detection of personal information from a requester's  
12 records if the requester becomes aware that they are not  
13 authorized to be a recipient of the information. So if  
14 someone receives it that they're not supposed to, they  
15 need to delete the information, and this is the rule that  
16 states that.

17           Lastly, I do want to include that this was a  
18 very important rule package for various stakeholders, our  
19 dealer community, for all Texans that own vehicles. And  
20 data privacy is extremely important to the Department of  
21 Motor Vehicles, which is why we worked very closely with  
22 the General Counsel's Office, with the Enforcement  
23 Division, with our Government and Strategic Communications  
24 Division, and various other divisions in the agency, to  
25 include IT, to ensure that we had all of the right

1 individuals that were wordsmithing and considering risks  
2 and statutes and the communities that we regulate to make  
3 sure that we got it right.

4 This is a rule proposal, and one final thing  
5 that I would like to add leading up to the rule proposal  
6 is that we had the informal rulemaking process in  
7 December, so because this was so important to the agency,  
8 we used the informal rulemaking process as a starting  
9 point for us so that we could get some initial feedback  
10 from constituents and from stakeholders.

11 We met with entities individually that had  
12 questions that we needed to provide clarity on, and they  
13 gave us some good feedback that we have already made some  
14 finer tuning and some adjustments to the proposed rules  
15 that you see before you.

16 After public comment, if these are approved by  
17 the board, we will do the same thing and make the same  
18 efforts to make sure that we meet with each of those  
19 entities that has concerns or questions or needs clarity  
20 regarding SB 15 and privacy.

21 And that concludes my presentation, and I'm  
22 happy to take any questions that you have.

23 MR. BACARISSE: Thank you, Mr. Luna.

24 Members, any questions for Mr. Luna on this  
25 very important issue?

1 MS. GILLMAN: I have a question.

2 MR. BACARISSE: Yes, Member Gillman.

3 MS. GILLMAN: Thank you for your report. I  
4 have a question just for my education, because I don't  
5 know. Can you give me three people that ask for records  
6 under bulk? I just don't know who they are.

7 MR. LUNA: So under bulk it would be entities  
8 such as a LexisNexis, those type of entities. So there  
9 are companies that provide -- may I, Chairman?

10 MR. BACARISSE: Yes, please, go right ahead.

11 MR. LUNA: There are companies that request  
12 current registration information, as well as former  
13 registration information for vehicles so that they can  
14 provide that information to users that pay a subscription  
15 fee to access motor vehicle related information.

16 And with those large entities that receive bulk  
17 records, with SB 15 they're also required to have a bond  
18 and to have general liability insurance for cybersecurity.

19 Those are additional requirements for SB 15 to make sure  
20 that those recipients of bulk records have the proper  
21 provisions in place to prevent wrongdoing.

22 MR. BACARISSE: To my intersection with  
23 LexisNexis, they are largely a service provider to the  
24 legal industry. They have law records, legal precedents,  
25 hearings, all kinds of data regarding the law, both civil

1 and criminal. They probably have other records as well,  
2 they're incredibly robust, and they're an international  
3 company.

4 MS. GILLMAN: I was thinking of like Polk.

5 MR. LUNA: The majority of our users, Member  
6 Gillman, they receive access to a different type of access  
7 level, which is MVInet access, which is similar to the  
8 dealerships. That's the type of access that's the  
9 majority of our users.

10 MS. GILLMAN: And then I was wondering, it says  
11 "and not available for resale" but isn't that what they  
12 do?

13 MR. LUNA: So for redisclosure, it's part of  
14 the annual reporting. When the information is redisclosed  
15 to someone that isn't legally authorized to receive the  
16 information, then that person has to enter into their own  
17 service agreement with the Texas Department of Motor  
18 Vehicles. So if the person is legally authorized, then  
19 they would not require --

20 MS. GILLMAN: And if Polk gets it from you guys  
21 and then they sells it to me as a subscriber, isn't that  
22 reselling it?

23 MR. LUNA: Yes. And I do have Erin Dinsmore  
24 from our General Counsel's Office, as well as Patricia  
25 Eckert, who is the VTR Operations Section director, that

1 have worked very closely on these rules.

2 I can visit with them after this, or they're  
3 available now to help with that question, so that I don't  
4 misstate the response.

5 MR. BACARISSE: Would you want them to speak on  
6 it?

7 MS. GILLMAN: I trust you're doing the right  
8 thing; I just was wanting for my education.

9 MR. BACARISSE: That's a good question.  
10 Any other questions, members?

11 MR. RAMIREZ: If there's no other questions,  
12 I'm going to make a motion.

13 MR. BACARISSE: Member Ramirez.

14 MR. RAMIREZ: But before I do, I'd like to add  
15 some color. I think we kind of buried the lead. This is  
16 a very meaty rule package with a lot of implications and  
17 very, very important to the State of Texas.

18 I mean, I think the privacy protections -- you  
19 know, we had a lot of issues over the course of the last  
20 couple of years with data breaches and privacy concerns of  
21 consumers, and so I think this tackles them and makes sure  
22 that we're protecting that data.

23 But for me and from the law enforcement  
24 community perspective, in my mind this rule is almost as  
25 important, if not more important, than our work on temp



1 tags.

2 I think access to real-time information with as  
3 little barrier as possible between a state agency, such as  
4 the DMV, and our law enforcement officers that are  
5 conducting ongoing investigations, and these can be  
6 anything from homicides, robberies, sexual assaults, we  
7 had barriers in place at the agency.

8 I know Director Thompson knows we've been  
9 discussing this for years on how we can get around to  
10 solving this problem, and I think finally we've arrived  
11 and where there's going to be a seamless information share  
12 with those who are authorized from the law enforcement  
13 community.

14 So I'm very pleased with how this rule kind of  
15 rounds out our commitment to cooperate with law  
16 enforcement, and I look forward to seeing it adopted.

17 So with that, I move that the board approve the  
18 proposed amended and new sections concerning the  
19 disclosure of personal information from the department's  
20 motor vehicle records. I also move that the board grant  
21 the department the ability to make changes to the proposed  
22 sections based on nonsubstantive corrections made in the  
23 *Texas Register*.

24 MR. BACARISSE: Thank you, Member Ramirez.

25 There's a second from Member Gillman?

1 MS. GILLMAN: Yes.

2 MR. BACARISSE: Okay. Thank you.

3 Any further discussion?

4 (No response.)

5 MR. BACARISSE: Is there public comment on this  
6 item?

7 MS. AUCOIN: Aline Aucoin, for the record.

8 No public comment.

9 MR. BACARISSE: Hearing and seeing no further  
10 questions or discussion, I will call for the vote on this  
11 item, please.

12 Member Alvarado?

13 MR. ALVARADO: Aye.

14 MR. BACARISSE: Member Gillman?

15 MS. GILLMAN: Aye.

16 MR. BACARISSE: Member Graham?

17 MR. GRAHAM: Aye.

18 MR. BACARISSE: Member McRae?

19 MS. McRAE: Aye.

20 MR. BACARISSE: Member Omumu?

21 MS. OMUMU: Aye.

22 MR. BACARISSE: Member Prewitt?

23 MR. PREWITT: Aye.

24 MR. BACARISSE: Member Ramirez?

25 MR. RAMIREZ: Aye.

1 MR. BACARISSE: Member Scott?

2 MR. SCOTT: Aye.

3 MR. BACARISSE: And I, Chairman Bacarisse, vote  
4 aye as well. This is unanimous.

5 Thank you, Roland, appreciate that very much.

6 MR. LUNA: Yes, sir.

7 MR. BACARISSE: Great. We'd now like to move  
8 to agenda item number 9, and let me get there.

9 MR. THOMPSON: Chairman, members, Executive  
10 Director, good morning. Clint Thompson, deputy director  
11 of the Vehicle Titles and Registration Division.

12 MR. BACARISSE: Hey, Clint.

13 MR. THOMPSON: I'll be covering agenda item 9  
14 with y'all this morning. It can be found on page 24 of  
15 your board book.

16 This is a rule proposal to amend 217.27 related  
17 to personalized license plates, and I just want to say it  
18 is aptly named; these things are personal.

19 (General laughter.)

20 MR. THOMPSON: Folks love these, which we  
21 appreciate, but these are personal to folks. They have  
22 selected their own message that they want to display on  
23 their plates, so these are important.

24 This doesn't go into data privacy and law  
25 enforcement in that regard, but this is definitely a

1 serious rule. It's not near as meaty as the other rule.  
2 I will cover it briefly, but again I just want to say this  
3 is very important, because these folks that apply for  
4 thsesse messages it means something to them, and also it  
5 means something to our staff.

6 Our staff look at these to make sure this  
7 message that we're evaluating whether or not it is  
8 objectionable in the context of our rules and they work  
9 with customers after the fact on the denials.

10 And these customers want a new plate message  
11 and here's why I want this one, can I have this one,  
12 there's a lot of work involved in that. And my staff in  
13 particular have looked at these rules and said some of  
14 this stuff we're denying based on these rules ain't  
15 objectionable, and so that's really one of the things that  
16 prompted this review and initiated us to bring forward  
17 this rule proposal so that y'all can take a look at this  
18 and consider, hey, do we need to lessen these  
19 restrictions.

20 And again, working with the public, working  
21 with staff, the goal here is to make sure that we do have  
22 rules that identify objectionable plate messages, but also  
23 those messages that are truly not objectionable, we have  
24 the flexibility within our current rules to make sure we  
25 can approve those, so starting on page 33, I'll get to the

1 meat of what we're changing here and the impact.

2 So 217.27(d)(2)(A) through (H) is really where  
3 the impact is, and starting with letter (A) Indecent, we  
4 are still not going to allow indecent plates on the  
5 roadway; we're not going to approve those. What we are  
6 really focusing on here are those related to sexual  
7 content. Blood, sweat and tears, you can't have on a  
8 license plate today, those are bodily fluids.

9 By changing the language here for sexual bodily  
10 fluid, that will make sure that we're focusing on those,  
11 and again, blood, sweat and tears, are those objectionable  
12 in and of themselves? That's something that now would be  
13 eligible with this new rule proposal.

14 (B) deals with Vulgarity, we just made a minor  
15 change here to call it vulgar, we're still not going to  
16 allow vulgar words on license plates. Derogatory for (C),  
17 same thing, we're not going to allow derogatory messages.

18 (D) is one of the bigger changes, and we're  
19 really looking forward to making this change potentially  
20 and getting public comment on it as well. Today any  
21 reference to race, gender, ethnicity, sexual orientation,  
22 whether derogatory or not, is restricted.

23 BoyMom: can't have it; Boy, gender  
24 reference -- and I could go on and on; we have quite a few  
25 of them. So we're really glad to be able to offer this to

1 the board for consideration.

2 We are replacing (D), though, with negative  
3 commands toward motorists. We've got folks putting  
4 MoveOver, Get Out of the Way, SpeedUp on their license  
5 plates. Think about when you're on a public roadway and  
6 you see this license plate in front of you saying  
7 BrakeNow, BackUp, things of that nature, so that's the  
8 perspective that we're looking at it from.

9 (E) essentially no changes. We're still not  
10 going to allow reference to gangs, illegal activities,  
11 things of that nature, threats of harm.

12 (F) same thing there, drugs, intoxicated  
13 states, we're not going to allow those on license plates.

14 (G) is another big change that we're interested  
15 in moving forward. Today you cannot have USMC for United  
16 States Marine Corps on a Marine Corps plate. The rule  
17 specifically bars reference to a representation of the  
18 military. We're fixing that here.

19 The restriction would be -- and the same is  
20 true for any other branch of service, USAF, US Navy. The  
21 change here is a direct reference to law enforcement so  
22 that someone doesn't try to take a message and portray  
23 themselves as law enforcement or a direct reference to a  
24 government position.

25 Further, in 217.27(f) relative to appeals, it's

1 just clarification today that says we have 30 days once  
2 they submit the appeal, and now it's 30 days from when we  
3 receive it. Cleanup.

4 And then 217.27(h) is a larger change, not so  
5 much a large change but just impactful. If someone is  
6 denied a message that they apply for, we're going to  
7 automatically initiate a refund. We end up developing  
8 long term relationships with customers today, because they  
9 can select a new plate and that one gets denied, and they  
10 select a new plate and that one gets denied, and their  
11 money is tied up during this entire process.

12 So we thought it would be more beneficial to go  
13 ahead and issue a refund, get their money back to them,  
14 let them make a new decision on a plate, and reapply with  
15 us.

16 So I recommend approval to publish these for  
17 public comment, and I'm glad to answer any questions if  
18 I'm able.

19 MR. BACARISSE: Thank you, Mr. Thompson,  
20 appreciate that very much.

21 Members, any questions on this item?

22 MR. GRAHAM: Mr. Chairman?

23 MR. BACARISSE: Yes, Member Graham.

24 MR. GRAHAM: I really just want to say I  
25 appreciate these revisions and these changes. You know,

1 it was a problem, and I'm telling you I have had my head  
2 ripped off several times by legislators over what was  
3 perceived as our heavy-handed perception of what should or  
4 shouldn't be on a plate, when people from the community  
5 had their plates revoked and went to the legislator. I'm  
6 telling you, it's been pretty tough. So hopefully this  
7 will alleviate that, and everybody will be a little  
8 happier and we'll be in a better place.

9 So thanks for your work on this, glad to see  
10 it.

11 MR. THOMPSON: Yes, sir.

12 MR. BACARISSE: Good. Members, any other  
13 questions, comments?

14 MS. GILLMAN: Mr. Chairman, I have a motion.

15 MR. BACARISSE: Member Gillman has a motion.

16 MS. GILLMAN: I move that the board approve the  
17 proposed amendments to Section 217.27 concerning  
18 personalized license plates, as recommended by staff. And  
19 I also move that the board grant the department the  
20 ability to make changes to the proposed section based on  
21 nonsubstantive corrections made by the *Texas Register*.

22 MR. BACARISSE: And is there a second for this  
23 motion?

24 MS. McRAE: I'll second.

25 MR. BACARISSE: Member McRae seconds.



1 Members, any other discussion?

2 (No response.)

3 MR. BACARISSE: Is there any public comment on  
4 this item?

5 MS. AUCOIN: Aline Aucoin, for the record.

6 No public comment.

7 MR. BACARISSE: Thank you.

8 Any further discussion?

9 (No response.)

10 MR. BACARISSE: Seeing none, I will call for a  
11 vote, please.

12 Member Alvarado?

13 MR. ALVARADO: Aye.

14 MR. BACARISSE: Member Gillman?

15 MS. GILLMAN: Aye.

16 MR. BACARISSE: Member Graham?

17 MR. GRAHAM: Aye.

18 MR. BACARISSE: Member McRae?

19 MS. McRAE: Aye.

20 MR. BACARISSE: Member Omumu?

21 MS. OMUMU: Aye.

22 MR. BACARISSE: Member Prewitt?

23 MR. PREWITT: Aye.

24 MR. BACARISSE: Member Ramirez?

25 MR. RAMIREZ: Aye.

1 MR. BACARISSE: Member Scott?

2 MR. SCOTT: Aye.

3 MR. BACARISSE: And I, Chairman Bacarisse, vote  
4 aye as well. It's unanimous. Thank you.

5 MR. THOMPSON: Thank y'all very much.

6 MR. BACARISSE: Thank you, Clint.

7 We'll now move to specialty plate designs, item  
8 number 10.

9 MR. LUNA: Hello again, Chairman Bacarisse.  
10 Roland Luna, Vehicle Titles and Registration Division  
11 director.

12 The action item before is a request from  
13 Vehicle Titles and Registration Division for board  
14 approval or denial, in accordance with your statutory  
15 authority, a specialty plate design submitted for your  
16 consideration. It can be found on page 37. The plate  
17 design is also displayed here to your right and behind  
18 Member Graham.

19 MR. GRAHAM: Oh, I've seen it.

20 (General laughter.)

21 MR. LUNA: This is a proposed plate design from  
22 My Plates, the state's specialty plate license plate  
23 marketing vendor, and the design is the Texas A&M mascot,  
24 which is a redesign from the existing plate under  
25 Transportation Code 504.851. This was posted on our

1 website for eView, electronic view, and 949 people liked  
2 the design and 274 did not.

3 This concludes my presentation of this action  
4 item, and I'll take any questions that you have.

5 MR. BACARISSE: I just have a question, Mr.  
6 Luna. My memory is not the best, but it seems to me that  
7 we've seen more than one or two A&M requests.

8 Would you just walk me, for my educational  
9 purposes, walk me through the process for requesting a new  
10 plate design from an entity that already has some plates  
11 with us? Can you any number of them, or how does it work?

12 MR. LUNA: So with Texas A&M, in particular,  
13 they have multiple plates. The Texas A&M mascot is one  
14 plate, they have a classic plate as well. They have three  
15 or four different plates, so working with the vendor, My  
16 Plates, they can redesign any existing plate as many times  
17 as they would like as long as they pay the administrative  
18 fee associated with that.

19 Along with that, they still are required, by  
20 December 15 of each year, to ensure that the 200 plate  
21 minimum is being met annually, and we have a number of  
22 staff members that work with My Plates to monitor the  
23 volume to ensure that they are at the 200 plate threshold.

24 A&M has not had any difficulty with their 200 plate  
25 minimums.

1 MR. BACARISSE: Right. Fascinating. It's all  
2 in the marketing, something for everybody. Right?

3 MR. LUNA: Yes, sir.

4 MR. BACARISSE: Aggie Nation.

5 Members, any other questions or comments?

6 MR. GRAHAM: Mr. Chairman?

7 MR. BACARISSE: Member Graham.

8 MR. GRAHAM: I just need the board to know that  
9 I will not be able to support this change; I'm voting  
10 against it. It is not due to the fact that I am an alma  
11 mater of a university down in the Waco area, with multiple  
12 national championships in the last decade' it has nothing  
13 to do with that.

14 (General laughter.)

15 MR. BACARISSE: Nothing to do with that, no.

16 MR. GRAHAM: What it does have to do is that I  
17 have a multitude of in-laws who are so staunchly against  
18 it, I'm not sure I could return to Galveston, Texas,  
19 should I not vote against this.

20 MR. BACARISSE: They being Aggies. Right?

21 MR. GRAHAM: It is a long line multi-generation  
22 of Aggies, and they do not approve of this, so I'm just  
23 going on the record.

24 MR. BACARISSE: We know how you're going to  
25 vote.

1 MR. GRAHAM: Yes, that's correct. Just want to  
2 make my stand.

3 MR. BACARISSE: Thank you. I appreciate your  
4 comments.

5 Members, any other comments?

6 MS. OMUMU: Mr. Chairman, I'd like to make a  
7 motion, please.

8 MR. BACARISSE: Member Omumu, please.

9 MS. OMUMU: I move that the board approve the  
10 Texas A&M specialty plate redesign, as presented by staff.

11 MR. BACARISSE: And is there a second for this  
12 motion?

13 MR. GRAHAM: I cannot second.

14 (General laughter.)

15 MR. BACARISSE: Member McRae?

16 MS. McRAE: My husband is an Aggie; I'll  
17 proudly second it.

18 MR. BACARISSE: Great. Any further discussion?

19 (No response.)

20 MR. BACARISSE: Seeing none, hearing none, no  
21 public comment on this?

22 MS. AUCOIN: Aline Aucoin, for the record.

23 No public comment.

24 MR. BACARISSE: Thank you.

25 Okay. I'll take a vote.

1 Member Alvarado?

2 MR. ALVARADO: Aye.

3 MR. BACARISSE: Member Gillman?

4 MS. GILLMAN: Aye.

5 MR. BACARISSE: Member Graham?

6 MR. GRAHAM: Nay.

7 MR. BACARISSE: Got that.

8 Member McRae?

9 MS. McRAE: Aye.

10 MR. BACARISSE: Member Omumu?

11 MS. OMUMU: Aye.

12 MR. BACARISSE: Member Prewitt?

13 MR. PREWITT: Aye.

14 MR. BACARISSE: Member Ramirez?

15 MR. RAMIREZ: In solidarity with Member Graham,

16 nay.

17 MR. BACARISSE: Oh, okay.

18 Member Scott?

19 MR. SCOTT: Aye.

20 MR. BACARISSE: And I, Chairman Bacarisse, vote

21 aye as well. Okay. So let the record reflect that there

22 are two votes no and seven votes for, and so the motion

23 does pass, but the objections are duly noted.

24 MR. LUNA: Thank you.

25 MR. BACARISSE: Thank you, Mr. Luna.

1 All right. Now to a really serious topic, the  
2 chairman of F&A, Finance and Audit, Member Graham and his  
3 committee did great work on this, agenda item 11 is our  
4 Finance and Audit Committee update.

5 So I want to give you the floor, Chairman  
6 Graham.

7 MR. GRAHAM: Thank you, Chairman Bacarisse,  
8 Executive Director Avitia, and members.

9 Yesterday, Members McRae, Prewitt, Omumu of the  
10 Finance and Audit Committee joined me in discussing  
11 finance and audit items.

12 Included in that discussion was agenda item  
13 11.A, which was the strategic plan update. Glenna Bowman  
14 provided an update. As part of the TxDMV strategic plan  
15 for fiscal year 2023 through 2027, staff requested changes  
16 to the department's budget structure and performance  
17 measures. All of the requested changes were approved by  
18 the Legislative Budget Board and the Office of the  
19 Governor.

20 Staff also updated the department's goals and  
21 action plans for the report. Since the board voted to  
22 discontinue the balanced scorecard initiative in its April  
23 14 meeting, staff simplified the structure so that the  
24 components match the TxDMV goals, objectives and  
25 strategies in the General Appropriations Act.

1           The plan also includes several other required  
2 elements, including the department's of redundancies and  
3 impediments, workforce plan, and customer satisfaction  
4 report. The complete strategic plan was submitted to the  
5 Legislative Budget Board and the Office of the Governor on  
6 June 1, 2022. The published report is included in your  
7 materials

8           In regards to agenda item 11.A, Ms. Bowman is  
9 here to answer any questions you may have regarding these  
10 items.

11           MR. BACARISSE: Great. Members, are there any  
12 questions of Chairman Graham or Ms. Bowman on 11.A?

13           (No response.)

14           MR. BACARISSE: No? Okay. Thank you.

15           MR. GRAHAM: Moving on.

16           MR. BACARISSE: Yes, sir, 11.B.

17           MR. GRAHAM: Also included in the committee  
18 meeting, we covered agenda item 11.B, which was the  
19 preliminary fiscal year 2024-2025 legislative  
20 appropriations request, which I will refer in this  
21 document as LAR.

22           Glenna Bowman and John Ralston provided an  
23 update on the department's appropriations request. The  
24 department's biennial LAR will be submitted to the Texas  
25 Legislature when it convenes in regular session in January



1 of next year.

2 The LAR will request funding for fiscal year  
3 2024-2025 biennium which begins September 1, 2023 and ends  
4 August 31, 2025.

5 The LAR includes two components: baseline  
6 funding, which is the funding level needed to maintain  
7 existing operations and capital projects, plus adjustments  
8 for essential operational needs that can be supported by  
9 revenues and the available balances with the TxDMV Fund  
10 0010; and the second item, which are exceptional items  
11 which must include general revenue funded requests that  
12 exceed the baseline limit established by the Legislative  
13 Budget Board and may include other items that promote  
14 transparency and provide visibility with the legislature  
15 into the department's high priority needs.

16 The LAR also includes requests for additional  
17 staffing, or FTEs, the maximum salary allowed for the  
18 executive director, capital budget authority, and updates  
19 and amendments to appropriation riders.

20 Staff is proposing to submit for this cycle  
21 four exceptional items. Those four items are: the first,  
22 which is \$5.5 million for Registration and Titling System  
23 replacement planning and design. This is Phase 1 of a  
24 two-part process to study the entire RTS ecosystem to  
25 determine how to approach the replacement of this legacy

1 system and its many interferences -- interfaces to related  
2 systems and components.

3 MR. BACARISSE: And interferences too.

4 (General laughter.)

5 MR. GRAHAM: Well, it's a lot of things on a  
6 lot of levels. This legacy system has been in use for  
7 nearly three decades, I think is what was the testimony  
8 yesterday, and it will be a significant project.

9 There are many reasons to get to work on this,  
10 one being that it will take many years to achieve this  
11 project, and we're not doing ourselves any favors when it  
12 comes to security of a legacy system. So it is time to  
13 request \$5.5 million for the RTS planning and design  
14 replacement.

15 The second item is to expand regional service  
16 center presence in Houston and Dallas. The Houston and  
17 Dallas regional service centers are expected to outgrow  
18 their current facilities by 2028. In anticipation of  
19 future growth and to better serve our customers, TxDMV  
20 staff recommend opening a new RSC substation in both  
21 cities, Houston and Dallas.

22 I'll go ahead and say that this was something  
23 of a recurring theme in our discussions of these  
24 appropriations requests and generally or broadly the  
25 approach of the DMV currently, which is with the growth

1 going on in this state, with all of the challenges that we  
2 have to make sure that we're not only just taking care of  
3 our customer, the taxpayer, but also making sure that  
4 we're protecting the public.

5 This is an aggressive request in FTEs and in  
6 dollars, but again, the recurring theme is we can't get  
7 behind, we cannot afford to be behind the curve when it  
8 comes to these services, because when we do, the public  
9 pays a price.

10 So again, the opening of substations in Houston  
11 and Dallas is one of the exceptional items that is  
12 included in that.

13 The third is \$14.2 million request to  
14 appropriate the full 20 percent of revenues collected  
15 under Transportation Code Section 1006.153(e)(1) to the  
16 Motor Vehicle Crime Prevention Authority, as required by  
17 statute.

18 Clearly we continue to have issues in the state  
19 when it comes to not just crime, not just burglary or  
20 stealing cars, pieces of cars, catalytic converters, tags.

21 We believe this is the time to go ahead and take those  
22 appropriations as required by statute. So that is number  
23 three.

24 And number four is funding authority for an  
25 estimated \$100 million for Phase 2 of the Camp Hubbard

1 renewal project, which includes a new office building and  
2 parking garage, site work and demolition of Building 5,  
3 renovations to Building 6, and upgrades to the central  
4 utility plant.

5 It's important to note the cost estimate for  
6 this project is a placeholder until additional planning  
7 and analysis is completed by the department's contracted  
8 vendor, TxDMV management and the Texas Facilities  
9 Commission.

10 And I'll add to that that there was a lot of  
11 discussion on this item, and I think the most important  
12 thing is that there was already a lot of consideration has  
13 been given to the changing workforce post-COVID, and  
14 that's been accounted for in the reduction of size, the  
15 changes in office areas.

16 So I know that's always a question on  
17 everyone's mind right now when you're talking about  
18 spending a lot of money on facilities, have we taken those  
19 things into account. Much of that has already been done  
20 more currently.

21 So with those being the four requests, the LAR  
22 will also propose the continuation of riders that  
23 currently exist in the fiscal year 2022-2023 budget, with  
24 changes to dates, amounts, and naming conventions.

25 In addition, the new rider will be requested to

1 authorize the appropriation of all MVCPA fees as  
2 authorized by statute.

3 Also, at the Finance and Audit Committee  
4 meeting yesterday, the committee voted to recommend to the  
5 board to direct staff to prepare the fiscal year 24-25  
6 legislative appropriations request to include the LAR  
7 items presented by staff and in our reports and schedules  
8 required by the Legislative Budget Board in its LAR  
9 instructions, subject to any technical corrections that  
10 are approved by the department's chief financial officer  
11 and executive director to comply with the instructions  
12 from the Legislative Budget Board.

13 Okay. Regarding that item, Ms. Bowman and Mr.  
14 Ralston are here and will be glad to answer any questions,  
15 along with myself, you may have.

16 MR. BACARISSE: Thank you, Chairman Graham.  
17 That was an incredibly substantive committee meeting, and  
18 lots of important work being done there by you and the  
19 committee, so thank you for that.

20 Members, are there any questions on this  
21 information that Chairman Graham has shared with us here?

22 MS. GILLMAN: I have a comment.

23 MR. BACARISSE: Yes, Member Gillman.

24 MS. GILLMAN: Just that I, too, am interested  
25 in and want to learn about the expectation of physical

1 presence and attendance for not only the Camp Hubbard  
2 project but also the expanded regional service centers in  
3 Houston and Dallas.

4 I wholeheartedly agree that the population in  
5 Texas is growing and that we should plan for huge growth  
6 in services that we need to provide with the DMV. I hope  
7 to sell a whole lot of cars, I'm excited about it.

8 I continue to be baffled by the number \$100  
9 million, but I heard you say it's a placeholder, and I  
10 look forward to hearing the plans and the preparation for  
11 the growth in Texas, and I'd love to have a report either  
12 from an architect or a contractor or from Daniel kind of  
13 talk us through that, but when it's appropriate.

14 MR. BACARISSE: That's a great point, Member  
15 Graham.

16 Mr. Avitia.

17 MR. AVITIA: Chairman Bacarisse and Chairman  
18 Graham, thank you both. Chairman Graham, first for  
19 chairing the committee and helping us with this  
20 conversation.

21 To answer your question, Member Gillman, we  
22 absolutely will keep this board informed about every step  
23 of this process. It's so important that we do that for  
24 transparency and so that you can help us move through this  
25 process as well. We realize as an agency that this is a

1 significant ask, and we don't make this ask lightly.

2 Please keep in mind, as you know, we are  
3 currently in the very beginning phases of working with an  
4 architect and engineer. We've had maybe two meetings so  
5 far. The next step is what they call a visioning process,  
6 where we start putting some of the pieces together, and so  
7 after we have our visioning meeting with the architect and  
8 engineering firm -- Marmon-Mok, if you will -- we will  
9 bring that information back to the board and completely  
10 share every bit of that information, so we have your input  
11 as well, as we move forward with this new project.

12 MS. GILLMAN: Thank you.

13 MR. AVITIA: Thank you for the question.

14 MR. BACARISSE: Great. Members, any other  
15 questions for Member Graham?

16 Yes, Member Scott.

17 MR. SCOTT: We've got a half a million dollars,  
18 I think it was, for a study for RTS.

19 MR. GRAHAM: \$5.5 million.

20 MR. SCOTT: For the study for the RTS. \$5.5  
21 million for the RTS?

22 MR. BACARISSE: Just for the study.

23 MR. GRAHAM: Am I correct, \$5.5 million for the  
24 study?

25 MR. AVITIA: That's correct, yes.

1 MR. SCOTT: I thought we had \$5.5- for the  
2 building.

3 MR. BACARISSE: No. It will take a lot more  
4 than that to totally rebuild RTS, but we first need to map  
5 it.

6 MR. GRAHAM: There's a placeholder for the  
7 building project at \$100 million.

8 MR. BACARISSE: Right. That's the physical  
9 building, yes.

10 MR. SCOTT: I'm talking about the study for  
11 RTS.

12 MR. GRAHAM: Yes. That is the first of four  
13 exceptional items, and it is a request for \$5.5 million  
14 for Phase 1 of a two-part process to study the entire RTS  
15 system.

16 MR. SCOTT: Well, a follow-up question to that  
17 is is there some anticipation as to when we'll be able to  
18 overhaul or fix the RTS, put new RTS in?

19 MR. GRAHAM: I don't know what that timeline  
20 is.

21 MR. AVITIA: That is the \$70 million question,  
22 yes, sir. Member Scott, thank you for the question.

23 So as Chairman Graham laid out, the first phase  
24 is making sure that we complete this study and this study  
25 will incorporate help from not just the vendor but



1 discussion with our TAC partners, with our RSC users  
2 throughout the state, so that we can identify all of the  
3 components, if you will, to the current system, all of the  
4 systems that integrate into RTS.

5           RTS is the agency's largest and most robust  
6 system that we currently operate. So that is the first  
7 phase and the first ask of this legislative session is to  
8 provide us with the authority to spend our money to be  
9 able to fund the study.

10           Second phase is next session in which we will  
11 then go, after we've studied everything and we have a good  
12 concept of what replacement costs might be for the agency,  
13 would be going into the next session -- not this coming  
14 session but the following -- to ask for the funding, again  
15 capital authority for us to spend funding within the  
16 agency then to engage vendors to replace RTS.

17           Does that answer your question?

18           MR. SCOTT: Yes. Thank you.

19           MR. AVITIA: Very good. Thank you.

20           MR. SCOTT: Another question.

21           MR. BACARISSE: Member Scott.

22           MR. SCOTT: When we're looking at the new Camp  
23 Hubbard \$100 million, we haven't had an update, I guess,  
24 on where are we on the mandate that DMV take over drivers'  
25 license?

1 MR. AVITIA: I can answer that.

2 MR. BACARISSE: Hopefully we buried it, but  
3 yeah, go ahead.

4 (General laughter.)

5 MR. AVITIA: Correct. Member Scott, there is  
6 no mandate at present for the TxDMV to take over drivers'  
7 licensing.

8 MR. SCOTT: I thought there was going to be a  
9 study.

10 MR. AVITIA: There was a study conducted last  
11 session, if I'm not mistaken, and the recommendation that  
12 came out of that study was not for the DMV, in fact, to  
13 take over drivers' licensing but that a new entity should  
14 be created to oversee drivers' licensing. At current  
15 there is no discussion; at least I know I have not been  
16 engaged to discuss drivers' licensing.

17 MR. SCOTT: The last I heard they were doing a  
18 study, but I had never heard the result of it.

19 MR. AVITIA: Correct. Thank you, sir.

20 MR. SCOTT: So we don't need \$100 million.

21 MR. GRAHAM: We're not worrying about that one  
22 right now.

23 MR. BACARISSE: Thankfully, yes. Good.

24 All right. Any other questions, members?

25 Member Ramirez.

1           MR. RAMIREZ: I want to thank staff for the  
2 briefing prior to the meeting going over these questions,  
3 I think we all have very similar questions. And thank  
4 you, Chairman Graham, for your work in keeping us in the  
5 right direction here.

6           I think it is important to note that isn't DMV,  
7 if I'm not mistaken, the only self-funded agency?

8           MR. BACARISSE: It's not the only one but it's  
9 one of the bigger ones.

10          MR. RAMIREZ: One of the biggest self-funded,  
11 so whenever we're making these decisions, you know, we're  
12 not asking for additional tax revenue from citizens, it  
13 really is to expand service offerings and make sure that  
14 we're providing efficient service.

15          And the RTS project is going to be a monster,  
16 but it's a very important one. I think we've kicked the  
17 can long enough, and if someone doesn't stand up and say  
18 we've got to take action, then no one else will. I'm  
19 supportive of your recommendations, Chairman.

20          MR. GRAHAM: Thank you. Another interesting  
21 point that came out of yesterday's meeting, Glenna had  
22 mentioned that I think the budget had been relatively flat  
23 since 2016.

24          MR. AVITIA: 2016.

25          MR. GRAHAM: And so, you know, we've done a

1 great job. Well, it's always a double-edged sword.  
2 Right? You work hard to be good stewards of taxpayer  
3 dollars, but at some point the snowball kind of catches up  
4 to you and you've got to start reinvesting, and we're sort  
5 of at that point right now, we believe.

6 Okay. Are you ready for me to march along?

7 MR. BACARISSE: Members, any other questions?  
8 Member Prewitt?

9 MR. PREWITT: I was ready to submit a motion,  
10 Mr. Chairman, if you feel it's appropriate.

11 MR. BACARISSE: Well, do you have some more to  
12 share with us?

13 MR. GRAHAM: I'm not finished.

14 MR. BACARISSE: Mr. Chair, go ahead.

15 Hold that thought, Member Prewitt.

16 MR. GRAHAM: I'm almost at the halfway point.

17 MR. BACARISSE: Go, go.

18 MR. GRAHAM: Okay. Also discussed at the  
19 meeting was item 11.C. Texas Comptroller of Public  
20 Accounts post-payment audit of the TxDMV. Eric Horn  
21 provided an update of the Texas Comptroller of Public  
22 Accounts post-payment audit.

23 The TxDMV was selected for a routine post-  
24 payment audit by the Texas Comptroller of Public Accounts  
25 under the authority granted in Texas Government Code

1 403.011. The audit covered the period beginning December  
2 1, 2019 through November 30, 2020. The final report was  
3 published on April 7, 2022.

4 The audit results showed that the TxDMV largely  
5 complied with the General Appropriations Act, relevant  
6 statutes, and Comptroller requirements. TxDMV was fully  
7 compliant in five of the eight areas audited: payroll,  
8 travel, grants, refunds of revenue, and fixed asset  
9 transactions.

10 Three of the eight areas audited had findings  
11 related to reporting to the vendor performance tracking  
12 system, strengthening security access to systems for  
13 employees promoted internally so that they do not retain  
14 their hold security access once they are granted new  
15 access, and notifying the Comptroller's Office to remove  
16 security access for separated employees no later than the  
17 separated employee's last day of employment.

18 All audit recommendations have been fully  
19 implemented, and I'll just add that this overall was a  
20 very, very good audit conclusion, and the three items that  
21 were listed were relatively minor and have already been  
22 taken care of and implemented.

23 So with that, I'll see if we have any questions  
24 before I move to 11.D.

25 MR. BACARISSE: Any questions?

1 MR. PREWITT: Mr. Chairman, the question I have  
2 is that item B is an action item, the others are briefing  
3 items, we just finished item C, and I would ask that we go  
4 back to item B, since it is an action item, and vote on it  
5 as a board.

6 MR. BACARISSE: Very good. Good point. Thank  
7 you, Member Prewitt.

8 I would entertain a motion -- if there aren't  
9 any other questions on item B, I would entertain a motion  
10 on that item.

11 MR. PREWITT: I'd like to propose that motion,  
12 Mr. Chairman.

13 MR. BACARISSE: Sure. Go ahead.

14 MR. PREWITT: I move that the board direct the  
15 staff to prepare the FY 2024-2025 legislative  
16 appropriations request, to include the LAR items presented  
17 by staff and all reports and schedules required by the  
18 Legislative Budget Board in its LAR instructions, subject  
19 to any technical corrections that are approved by the  
20 department's chief financial officer and the executive  
21 director to comply with instructions from the Legislative  
22 Budget Board.

23 MR. BACARISSE: And is there a second for this  
24 motion?

25 MS. OMUMU: I second, Mr. Chairman.

1 MR. BACARISSE: Member Omumu.

2 All right. I do have a motion and a second.  
3 Any other questions? Is there public comment on this  
4 item, Aline?

5 MS. AUCOIN: Aline Aucoin, for the record.  
6 No public comment.

7 MR. BACARISSE: Great. Then I would call for  
8 the vote.

9 Member Alvarado?

10 MR. ALVARADO: Aye.

11 MR. BACARISSE: Member Gillman is absent at the  
12 moment.

13 Member Graham?

14 MR. GRAHAM: Aye.

15 MR. BACARISSE: Member McRae?

16 MS. McRAE: Aye.

17 MR. BACARISSE: Member Omumu?

18 MS. OMUMU: Aye.

19 MR. BACARISSE: Member Prewitt?

20 MR. PREWITT: Aye.

21 MR. BACARISSE: Member Ramirez?

22 MR. RAMIREZ: Aye.

23 MR. BACARISSE: Member Scott?

24 MR. SCOTT: Aye.

25 MR. BACARISSE: And I, Chairman Bacarisse, vote

1 aye as well. It's unanimous. Thank you. There are eight  
2 votes for it. Thank you.

3 How fast can you go?

4 MR. GRAHAM: I'm going fast.

5 MR. BACARISSE: You go.

6 MR. GRAHAM: Thank you, Member Prewitt. I was  
7 kind of trying to truck along, and I rolled right by that.

8 Item D was the Internal Audit Division status  
9 update. We were updated on a number of things, fraud  
10 pulse survey, dealer licensing audit. I will condense  
11 this part of the report to the board and focus on the  
12 dealer licensing audit, which was the audit that the board  
13 requested back in October at the first big issue of tags.

14 The audit covered the time period of September  
15 2020 to October 2021. During this time frame the audit  
16 found strengths and weaknesses, but I would broadly say  
17 the audit found that the department in places did not  
18 consistently detect deficient application materials or  
19 consider other components, to include a review.

20 Also, the review process alone is not enough to  
21 identify potential bad actors. Continuous monitoring with  
22 preventative and detective controls is needed. There were  
23 a total of four recommendations that were rated high. The  
24 department has either acted on or is currently taking  
25 action to resolve many of these issues identified in this



1 audit.

2 I know you probably do not read every audit  
3 that comes through the audit department, but this is one  
4 that I encourage each of you to go back and read it in its  
5 entirety. It is very interesting, it's very relevant, and  
6 it is critical for our path forward as an agency when it  
7 comes to licensing GDN holders.

8 MR. BACARISSE: And remind me of the dates of  
9 that audit that they looked at.

10 MR. GRAHAM: It was September of 2020 to  
11 October of 2021.

12 MR. BACARISSE: Thank you.

13 MR. GRAHAM: I will tell you that one might  
14 quickly conclude that what is the relevance of that date  
15 range with all of the drastic changes that have occurred  
16 in the last six months.

17 The relevance of that date range was that we  
18 were able to take GDN holders who have now been suspended,  
19 go look at their applications, and figure out what we did  
20 wrong, what did we miss, what did we not scrutinize, and  
21 that gave us a lot of great information in building the --  
22 I say us, the audit team -- a lot of bullets, so to speak,  
23 to build recommendations on paths forward. So that  
24 information was really critical.

25 Also in that audit was an analysis of current

1 GDN holders who are printing tags in excess of five per  
2 vehicle sold, 10, 20, 50, and so what that has allowed us  
3 to see is a snapshot of what we would now consider  
4 midrange abusers.

5 They may only be printing 500 or 100 or 50  
6 fraudulent tags, but now we're down to the point where we  
7 can see that scope. And so I know time is short; I  
8 encourage you to read that audit, and I imagine there will  
9 be ongoing work on this moving forward in the coming  
10 months.

11 Shout out to Jason. You remember Jason  
12 Gonzalez got this thrown at him when we were right in the  
13 middle of our transition from -- Sandra had left, and we  
14 were looking for a new auditor, and he picked up the ball.

15 He and his team did an incredible job, then  
16 Salem came in and just threw the icing on the cake, and we  
17 came out with a really, really good audit, and it's going  
18 to be very, very beneficial to this agency for continuing  
19 its work on fraud.

20 MR. BACARISSE: Very true.

21 MR. GRAHAM: I will stop there and take any  
22 questions you may have.

23 MR. BACARISSE: Thank you.

24 Members, any questions?

25 (No response.)

1 MR. BACARISSE: This is very substantive.

2 MR. RAMIREZ: A comment from me. I agree with  
3 you. I think it's very advantageous to have the data on a  
4 back look looking at the GDN holders that have been  
5 suspended and why we've done that.

6 At the outset I don't think anybody saw that as  
7 an internalized function to look at that business unit and  
8 see if it's operating correctly, but they took the  
9 project, and the most illuminating thing for me was as we  
10 discovered problems, we were already implementing fixes,  
11 and that's a credit to the Executive Director's Office and  
12 the entire staff. And the wheels we had in motion with  
13 legislative fixes were already relevant. So it was  
14 illuminating and very good for me to see the audit and  
15 look it over.

16 MR. GRAHAM: Thank you, Member Ramirez.

17 I actually, towards the latter stage of the  
18 audit, sent the data on abusers, mid-level abusers, I  
19 requested a refresh of that from like April and May, and  
20 by the time I got that back -- which was not very long --  
21 they had already taken -- it had identified some more  
22 issues with GDN holders, and they had already run with  
23 that before I even got the report back. So you're exactly  
24 right. They're aggressively working to shut down trouble  
25 when they see it.

1 MR. BACARISSE: Good.

2 MR. GRAHAM: That is my report, Mr. Chairman.

3 MR. BACARISSE: Chairman Graham, thank you and  
4 your committee for the great work, and kudos to our audit  
5 team, absolutely. Jason, Salem, thank you.

6 Aline, any comments on this area?

7 MS. AUCOIN: Aline Aucoin, for the record.

8 No public comment on agenda item 11.

9 MR. BACARISSE: Okay, great.

10 Do we have any other public comment generally?

11 MS. AUCOIN: Aline Aucoin, for the record.

12 No public comment on agenda item 14 titled  
13 Public Comment.

14 MR. BACARISSE: Okay, great.

15 At this point then we have no other general  
16 public comments so I'm going to move us into executive  
17 session at this time. That is agenda item number 12. It  
18 is now 11:20 a.m. on June 30, 2022. We'll go into closed  
19 session under Texas Government Code Section 551.071,  
20 551.074, 551.076, and 551.089.

21 For those of you in the audience, I anticipate  
22 being in this closed session for approximately one hour,  
23 and we'll reconvene in open session after that.

24 With that, we are now recessed from the public  
25 meeting and we are going into closed session.

1 (Whereupon, at 11:20 a.m., the meeting was  
2 recessed, to reconvene this same day, Thursday, June 30,  
3 2022, following conclusion of the closed session.)

4 MR. BACARISSE: It's 12:39 in the afternoon  
5 right now and we have returned from executive session.  
6 The Board of the DMV is back now in open session.

7 No action items were taken up from the closed  
8 session, and we will now move to agenda item 15,  
9 Adjournment. Unless there's any other business -- and no  
10 other public comment has been registered -- I would like  
11 to entertain a motion to adjourn.

12 MR. GRAHAM: So moved.

13 MR. BACARISSE: We have a move from Member  
14 Graham.

15 MS. GILLMAN: Second.

16 MR. BACARISSE: And Gillman is the second.  
17 Member Alvarado?

18 MR. ALVARADO: Aye.

19 MR. BACARISSE: Gillman?

20 Ms. GILLMAN: Aye.

21 MR. BACARISSE: Graham?

22 MR. GRAHAM: Aye.

23 MR. BACARISSE: McRae?

24 MS. McRAE: Aye.

25 MR. BACARISSE: Omumu?

1 MS. OMUMU: Aye.

2 MR. BACARISSE: Prewitt?

3 MR. PREWITT: Aye.

4 MR. BACARISSE: Ramirez?

5 MR. RAMIREZ: Aye.

6 MR. BACARISSE: Scott?

7 MR. SCOTT: Aye.

8 MR. BACARISSE: And I, Chairman Bacarisse, vote  
9 aye too. It's unanimous. We are adjourned at 12:40 --  
10 it's still 12:39. The meeting is adjourned.

11 (Whereupon, at 12:39 p.m., the meeting was  
12 adjourned.)

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MEETING OF: TxDMV Board  
LOCATION: Austin, Texas  
DATE: June 30, 2022

I do hereby certify that the foregoing pages, numbers 1 through 119, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Motor Vehicles.

DATE: July 12, 2022

/s/ Nancy H. King  
(Transcriber)

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