

TEXAS DEPARTMENT OF MOTOR VEHICLES

BOARD MEETING

Room 1.111
William B. Travis Building
1701 N. Congress Avenue
Austin, Texas 78701

9:00 a.m.
Thursday,
December 2, 2021

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	5
2. Pledges of Allegiance - U.S. and Texas	8
3. Chair's Reports Proposed 2022 Board Meeting Schedule	9
4. Executive Director's Reports	
A. Customer Service Advisory Committee (CSAC) Update	10
B. Motor Vehicle Industry Regulation Advisory Committee (MVIRAC) Update	11
C. Introduction of Consumer Relations Division Director	12
D. Introduction of Government and Strategic Communications Division Director	13
E. Awards, Recognition of Years of Service, and Announcements - Recognition of Sandra Menjivar-Suddeath	14
RULE PROPOSALS	
5. Rule Review	
A. Rule Review Process Overview (BRIEFING ONLY)	18
B. Rule Review Proposals under Government Code §2001.039; Chapter 206, Management; Chapter 218, Motor Carriers; and Chapter 221, Salvage Vehicle Dealers (ACTION ITEM)	21
6. Chapter 208, Employment Practices Employment Practices (ACTION ITEM) New, §208.13 (Relating to HB 2063, new family leave pool created by statute)	23
BRIEFING AND ACTION ITEMS	
7. Specialty Plate Designs (ACTION ITEMS)	26
A. University of Florida - Crossover Design proposed under Transportation Code §504.851 and §504.6011	

B.	University of Missouri - Redesign proposed under Transportation Code §504.851	
C.	The University of Texas at El Paso - Crossover Design proposed under Transportation Code §504.851 and §504.6011	
8.	Projects and Operations Committee Update	
A.	Facilities Update	29
B.	Active Agency Projects	32
	- Statewide webDEALER Adoption (SWA) Phase II	
	- webLIEN	
	- webSALVAGE	
	- Digital License Plates (DLP)	
	- Call Center Upgrade Phase II	
	- Texas International Registration Plan (TxIRP) Upgrade	
	- Registration and Title System (RTS) Batch Cycle	
	- Texas by Texas (TxT)	
	- Motor Carrier Credentialing System (MCCS) Rewrite	
	- Legislative Application Changes	
C.	Operational Plan	37
D.	Workforce Update	39
E.	Ombudsman Activities	43
F.	Organizational Structure Update	
I.	Organizational Structure Update Overview	49
ii.	Compliance and Investigations Division Transferred to Enforcement Division	50
iii.	Consolidation of Motor Carrier Division's Credentialing and Commercial Fleet Services Sections into the Motor Carrier Licensing and Registration Section	67
iv.	License Plate Manufacturing Transferred to Vehicle Titles and Registration Division	68
9.	Finance and Audit	
A.	Internal Audit Division Status Update (BRIEFING ONLY)	69
	- Quality Assurance and Improvement	

Program Report

B.	Delegation of Authority to the Executive Director to Approve and Execute the Renewal of the Innovative Technology Deployment (ITD) Commercial Vehicle Information Exchange Window (CVIEW) Services Contract - (ACTION ITEM)	78
10.	Discussion and Consideration of future amendments to the Board Policy Document "TxDMV Board Governance Policy" (BRIEFING ONLY)	83
11.	Discussion and Consideration of future amendments to the Board Policy Document "Agency Operational Boundaries as Defined by Department Policies of the TxDMV Board" (BRIEFING ONLY)	99
12.	Discussion and Consideration of future amendments to the Board Policy Document "TxDMV Guidance on Contested Cases Presented to the Board" (BRIEFING ONLY)	103
13.	Vice-Chair Election (ACTION ITEM)	104
14.	Excuse Absences under Transportation Code §1001.027(a)(4) - (ACTION ITEM)	110
CLOSED SESSION		
15.	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	113
16.	Action Items from Closed Session	none
17.	Public Comment	none
18.	Adjournment	114

P R O C E E D I N G S

(9:04 a.m.)

1
2
3 MR. BACARISSE: Good morning. My name is
4 Charles Bacarisse, and I am pleased to open the Board
5 meeting of the Texas Department of Motor Vehicles. It is
6 right now 9:04 a.m., and I am now calling the Board
7 meeting for December 2, 2021 to order.

8 I want to note for the record that the public
9 notice of this meeting, containing all items on the
10 agenda, was filed with the Office of the Secretary of
11 State on November 24, 2021.

12 Before we begin today's meeting, please place
13 all of your cell phones and other communication devices in
14 a silent mode, and please, as a courtesy to others, do not
15 carry on side conversations or other activities in the
16 meeting room. We've got ample space outside for you to do
17 that.

18 I want to welcome those who are with us for
19 today's Board meeting. Face coverings and social
20 distancing are not required at this meeting, but each
21 individual attending the meeting has the right and
22 responsibility to decide for themselves, based on their
23 personal circumstances. It's your choice, and you are
24 welcome here at this meeting of the DMV.

25 If you wish to address the Board or speak on an

1 agenda item during today's meeting, please complete a
2 speaker's sheet at the registration table or send an email
3 to GCO_General@TxDMV.gov.

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

10 In accordance with Department administrative
11 rule, comments to the Board will be limited to three
12 minutes. To assist each speaker, a timer has been
13 provided, and the timer light will be green for the first
14 two minutes, yellow for one minute, and then red when your
15 time is over.

16 Individuals cannot accumulate time from other
17 speakers, and comments should be pertinent to the issues
18 stated on the comment sheet. When addressing the Board,
19 please state your name and affiliation for the record.

20 And there are a few things that will assist in
21 making the meeting run smoother and assist the court
22 reporter in getting an accurate record. Number one,
23 certainly, please identify yourselves before speaking,
24 speak clearly, and do not speak over others, and please
25 ask the Chairman to proceed, and be sure to be recognized

1 before you begin speaking. I'd like to also thank our
2 court reporter who is transcribing this meeting.

3 To make sure that we have an accurate record of
4 this meeting, it's important that Board members and anyone
5 presenting today identify yourselves before speaking and
6 speak clearly and slowly.

7 Before we begin today, I'd like to remind all
8 presenters and those in attendance of the rules of conduct
9 at our Board meetings. The Department's rule, Section
10 206.22, the Board chair is given authority to supervise
11 and conduct the meetings. This includes the authority to
12 determine when a speaker is being disruptive of the
13 meeting or is otherwise violating the timing or
14 presentation rules just discussed.

15 And so now I'd like to have a roll call of the
16 Board members. Please respond verbally when I call your
17 name.

18 Board Member Alvarado, are you here?

19 MR. ALVARADO: Here.

20 MR. BACARISSE: Member Gillman?

21 MS. GILLMAN: Here.

22 MR. BACARISSE: Member Graham?

23 MR. GRAHAM: Here.

24 MR. BACARISSE: Member McRae?

25 MS. McRAE: Here.

1 MR. BACARISSE: Member Omumu?

2 MS. OMUMU: Present.

3 MR. BACARISSE: Member Ramirez?

4 MR. RAMIREZ: Here.

5 MR. BACARISSE: Member Scott?

6 MR. SCOTT: Here.

7 MR. BACARISSE: And Member Prewitt?

8 MR. PREWITT: Present.

9 MR. BACARISSE: Were we glad to hear that, John
10 Prewitt. Welcome back.

11 (Applause.)

12 MR. BACARISSE: And let the record reflect that
13 I, Charles Bacarisse, am here too. So we have a quorum.

14 Item No. 2 is our pledges of allegiance to the
15 U.S. and Texas flags. So let's please all stand and honor
16 our country, and I'm going to turn it over to Member Omumu
17 to lead us in the U.S. Pledge.

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

19 MR. BACARISSE: Member Graham will lead us in
20 the Texas Flag Pledge.

21 (The Texas Pledge of Allegiance was recited.)

22 MR. BACARISSE: Thank you, members. Thank you,
23 Members Omumu and Graham for leading us in the pledges.
24 Thank you.

25 Before we move to the next agenda item, I'd

1 like to note that we have public comment listed as Agenda
2
3 Item 17. However, we'll be taking up public comment prior
4 to us going into closed session, so we don't want to
5 inconvenience people.

6 We will move on to Item 3, which is the Chair's
7 reports, and we're going to cover the proposed 2022 Board
8 meeting schedule, which may be found in your Board books
9 on page 6.

10 These dates are tentative, but we wanted to put
11 this out there and making this available for your planning
12 purposes. We typically have met the first Thursday of
13 every month, and you'll see reflected in the draft
14 schedule that we're moving that to the second Thursday of
15 the month, and 9:00 a.m.

16 And so if there is a change to that, we'll
17 notify everyone, but I have made a -- I have prevailed on
18 you all, as I have a monthly first Thursday of the month
19 commitment that I'd like to try to keep. So we moved it
20 to the second week, with your permission.

21 Thank you.

22 MS. BREWSTER: And 9:00.

23 MR. BACARISSE: And yeah. And we moved it to
24 9:00 so that it might be a little more convenient to
25 battle the Austin traffic in order to -- yeah. Do you

1 like -- Member Gillman approves. Good. All right. Thank
2 you.

3 I will now turn it over to our Executive
4 Director, Whitney Brewster, for Agenda Item 4 with you.

5 MS. BREWSTER: Thank you, Mr. Chairman,
6 members. Whitney Brewster, Executive Director. Thank
7 you. This briefing will be relatively short. I know we
8 have a meaty agenda to get to, but I wanted to inform the
9 Board that the third meeting of the Customer Service
10 Advisory Committee occurred on November 17, and 13 members
11 attended that meeting.

12 We call this CSAC for short. CSAC covered some
13 pretty significant topics, including how to maintain the
14 network of limited service deputies that provide actually
15 millions of registration renewal transactions in the
16 state.

17 The Committee focused on best practices and
18 ways to reduce overall operational costs as a means of
19 maintaining those relationships. The Customer Service
20 Advisory Committee is scheduled to have a fourth meeting
21 on December 13 at 9:00 a.m., and they will be taking up
22 the limited service deputy once again.

23 If there aren't any questions about that, I'll
24 move on to Item 4(b).

25 MR. BACARISSE: Members, any questions?

1 (No response.)

2 MS. BREWSTER: No? Thank you.

3 MR. BACARISSE: Okay.

4 MS. BREWSTER: Moving on to Item No. 4.B., for
5 this item, I'd like to make sure to update the Board about
6 the Motor Vehicle Industry Regulation Advisory Committee.

7 The second meeting of that committee met. We called it
8 MVIRAC. They met prior to this last time on September 14.

9 The Motor Vehicle Industry Regulation Advisory
10 Committee is scheduled to have its third meeting on
11 December 16 at 9:00 a.m., and that's to review the rules
12 regarding the maximum tag limits, as directed by the Board
13 at our last full Board meeting.

14 The Committee will also focus on implementation
15 efforts around House Bill 3927, and they will also take up
16 issues around pre-licensing reviews of motor vehicle
17 dealers and to evaluate some possible recommendations that
18 may be coming to the Board at a later date.

19 Again the rules -- the public comment period
20 for the rules will close on December 13. The meeting will
21 occur almost immediately following, December 16, so that
22 we can have a recommended proposal for the Board in the
23 February Board meeting.

24 And with that, are there any questions or
25 comments on Item 4.b.?

1 MR. BACARISSE: Members, anything?

2 (No response.)

3 MS. BREWSTER: No?

4 MR. BACARISSE: Thank you. Please continue.

5 MS. BREWSTER: All right. Thank you.

6 Moving to Item 4.C., I wanted to introduce you
7 to one of our newest team members, our new Consumer
8 Relations Division Director, Amanda Collins, and you can
9 learn a little more about her on page 8 of your Board
10 books.

11 Amanda's first day was November 8 with the
12 Department, and she is responsible for the operations of
13 the agency's Customer Contact Center. So all of the calls
14 that come into the main line, all of the correspondence
15 that's coming into the Department.

16 Before joining the TxDMV team, Amanda served as
17 the associate director of strategic initiative and
18 performance improvement with the Texas Alcohol Beverage
19 Commission. She oversaw initiatives related to TABC
20 rules and policy situations, and helped facilitate
21 stakeholder meetings.

22 She began her state service in 2009 as a TABC
23 auditor, and she was stationed at the Houston regional
24 office of the Compliance Division. She was promoted
25 multiple times, and she is known for her exceptional

1 customer service.

2 She attended Prairie View A&M, where she played
3 Division 1 soccer and received a bachelor's degree in
4 marketing. She is a graduate of the Governor's Senior
5 Management Development Course and is a certified fraud
6 examiner.

7 So we're excited that Amanda has joined our
8 team, and so please join me in giving her a warm welcome
9 to the TxDMV.

10 (Applause.)

11 MR. BACARISSE: Welcome aboard, Ms. Collins.
12 Glad you're here.

13 MS. BREWSTER: All right. Thank you.

14 MR. BACARISSE: You've got another one?

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

16 Going on to Item No. 4.D., the introduction of
17 our Government and Strategic Communications Division
18 Director can be found on page 9 of your Board books.

19 We have selected Keith Yawn as our new
20 Government and Strategic Communications Division Director.

21 His first day will be December 13, and we're super
22 excited for him to join our team. He has served the
23 people of Texas for 20 years, currently holding the
24 position of Director of Strategic Initiatives at the
25 Employee Retirement System of Texas, where he leads the

1 enterprise projects and advises agency leadership on
2 financial, operational and organizational strategy.

3 But prior to joining ERS, he served as the
4 director of the Committee on Appropriations for the Texas
5 House of Representatives. Keith has also held senior and
6 executive level positions with the Texas Legislative
7 Budget Board, the Texas Facilities Commission, and the
8 Comptroller of Public Accounts.

9 He holds a master's degree of business
10 administration and a bachelor of business administration
11 degrees, both from Baylor, as well as a master of public
12 affairs degree from the Lyndon B. Johnson School of Public
13 Affairs at UT.

14 He's a native Texan, and he spends a lot of
15 times on the running trails and back roads of central
16 Texas, where he has successfully trained for over 10
17 marathons. So he's a go-getter. Ten marathons, that's
18 really impressive.

19 Please join me in welcoming Keith to our team.

20 (Applause.)

21 MR. BACARISSE: Yeah. You've got a Sic-em Bear
22 up here. That's pretty good. Welcome, Mr. Yawn, and that
23 marathon training is going to come in real handy. So
24 we're glad you're with us. Thank you.

25 MS. BREWSTER: All right. Moving on to Item

1 4.E., these materials can be found on page 10 of your
2 Board book. At this time, we'd like to recognize our
3 employees who have reached a major state service
4 milestone.

5 We celebrate these employees to show our
6 appreciation. And Matthew Levitt with our Human Resources
7 Division will read the service announcements.

8 MR. BACARISSE: Welcome, Matthew.

9 MR. LEVITT: Good morning, Chairman, members.
10 My name is Matthew Levitt. I'm the director of the Human
11 Resources Division. I'd like to acknowledge the following
12 employees who have reached a State service milestone.

13 All of them were unable to join us this
14 morning. For 20 years of state service, Darrell Adams in
15 the Enforcement Division. For 25 years of service, Angela
16 Masloff in the Information Technology Services Division
17 and Michelle Lingo in the Motor Vehicle Division.

18 For 30 years of service, Bradley Beaty in the
19 Vehicle Titles and Registration Division. And for 35
20 years of State service, Charles C. Bennett in the
21 Enforcement Division.

22 And finally, we'd like to recognize the
23 following employees who've recently retired from the
24 Department and thank them for their years of service:
25 Darrell Adams in the Enforcement Division; Mary Eschenburg

1 in the Information Technology Services Division; and
2 Lydia Sahley in the Motor Carrier Division.

3 Thank you, Chairman.

4 MR. BACARISSE: Thank you, thank you. I thank
5 you Mr. Levitt. Appreciate that. I want to actually ask
6 Member Graham if you want to say a few words about one of
7 our senior staff members who has moved on in her career,
8 and some words of thanks and praise.

9 MR. GRAHAM: Yeah. For sure. She's not here,
10 unfortunately. Well, she's moved on quickly. She --
11 Sandra was -- you know, I really unfortunately kind of
12 felt like it inevitable. She was just a top-tier
13 individual, in my opinion, in your profession.

14 And you know, unfortunately, folks like that
15 can keep climbing the ladder, and I know she'll do great
16 at her new position, but her -- there's no question that
17 the work that she did in Audit will have a lasting impact
18 on the DMV and made the DMV a better organization.

19 And it was just really an honor and privilege
20 to have the opportunity to work with her for a couple of
21 years, and she made me a better Board member. So you
22 know, we'll miss her, and the DMV will miss her, but we
23 wish her the best, and we will march on to our orders
24 and --

25 MR. BACARISSE: Great.

1 MR. GRAHAM: -- carry her work on.

2 MR. BACARISSE: Absolutely. Ms. Menjivar-
3 Sudeath has left us for the private sector. Public
4 service is a calling, and sometimes we're called in it,
5 and sometimes we're called out of it, but hopefully in the
6 future, she might be called back to it.

7 So you never know. Thanks, Brett, for your
8 great words. Anything else, members, for the Chair?

9 (No response.)

10 MR. BACARISSE: Before we move on to the next
11 agenda item, I just want to add in some other important
12 points. I'd like to just provide a few comments regarding
13 our decorum of the meeting. It's always good to remind
14 everybody of this.

15 It's important to wait to be recognized by the
16 Chair before obtaining the floor to speak, and you may
17 raise your hand or say, you know, Mr. Chairman, and then
18 I'll recognize you by name. Please be courteous and wait
19 until the prior speaker is finished before asking for the
20 floor.

21 Also, I may alternate giving the floor to
22 members with differing views, opposing and supporting a
23 particular issue that we may be discussing. Remember to
24 always address me as the Chair and not the other Board
25 members during a discussion.

1 And members and the Chairman may ask to confer
2 with General Counsel or take a recess at any time. So I'd
3 just like to lay that out there and a reminder of all of
4 us, because we're all passionate about our work here, and
5 that's good; that's good. Next, I'd like to move on to
6 Agenda Item 5.A., and I'll turn it over to Tracey Beaver,
7 our General Counsel, to give an overview of the rulemaking
8 process.

9 MS. BEAVER: Thank you, Chairman. Good
10 morning, members, Executive Director Brewster. Tracey
11 Beaver, General Counsel. This agenda item is rule review,
12 and it is also going to be an action item for your
13 consideration.

14 Rule review process is a little different than
15 a substantive rule proposal that you may have seen in the
16 past at these Board meetings. I wanted to give a little
17 overview of what rule review is and the process that we
18 take in doing rule review at the agency.

19 Under Government Code Section 2001.039, each
20 agency in Texas is required to review the rules that they
21 currently have adopted, rules that are on the books, to
22 see if the need for the rule continues to exist. So part
23 of this rule review proposal is asking the Board to
24 authorize the Department to begin reviewing those chapters
25 that are subject to this rule review proposal.

1 These are Agenda Items 5.A. and 5.B., and they
2 begin in your Board book on page 12. Rule review is a
3 procedure in which the Department reviews each section in
4 these chapters to ensure that the reason for their initial
5 adoption continues to exist, to make sure that we don't
6 have rules on the books that are no longer needed, and
7 then also these sections are going to be reviewed by the
8 Regulatory Compliance Division of the Governor's Office.

9 Their review of these rule chapters is to make
10 sure that there aren't any anti-competitive aspects to
11 these sections and these rule chapters. This is a newer
12 process, and so several of these rules in these chapters
13 were adopted prior to the Regulatory Compliance Division
14 review.

15 At this time the Department asks for authority
16 to move forward with the review of these chapters. This
17 is a procedure in which Department staff will go through
18 the rules with subject matter experts and determine if any
19 amendments or repeals of these rules are needed in the
20 future.

21 If there's any substantive change needed,
22 anything that needs to be fixed, updated or repealed,
23 those would come before the Board at a future Board
24 meeting as a substantive rule proposal.

25 So at this time, we ask that the Board

1 authorize the Department to begin the rule review process
2 for these three chapters.

3 Thank you.

4 MR. BACARISSE: Thank you, Ms. Beaver.

5 Any questions for Ms. Beaver on the process,
6 members?

7 MR. SCOTT: Mr. Chairman?

8 MR. BACARISSE: Yes, Mr. Scott?

9 MR. SCOTT: Thank you. The question I have is,
10 rule review is a mandated process. Correct?

11 MS. BEAVER: That's correct. Under the
12 Government Code, each state agency is required to do so.

13 MR. SCOTT: I'm just curious. Why -- if it's
14 already a mandate, then why seek the Board authorization?

15 MS. BEAVER: The Department asks the Board to
16 authorize the Department to move forward with any rule
17 proposal in an effort to have a great deal of transparency
18 and inclusivity in reviewing any of our rule proposals,
19 whether they're substantive or procedural.

20 And so this is an opportunity for the Board to
21 authorize the Department to move forward with this review,
22 similar to the way the Department asks the Board to
23 consider proposals for substantive rule amendments as
24 well.

25 And so this is an opportunity for the Board to

1 take action on whether the Department should begin this
2 process at this time. And so we bring all rule proposals
3 before the Board for consideration.

4 MR. BACARISSE: Okay. Great. Thank you.

5 Question? Any other questions on the process,
6 members?

7 (No response.)

8 MR. BACARISSE: Okay. Great.

9 Ms. Beaver, please continue.

10 MS. BEAVER: The Agenda Item 5.B. is the rule
11 proposal for rule review of Chapter 206 regarding
12 management; Chapter 218 regarding motor carriers; and
13 Chapter 221 regarding salvage vehicle dealers.

14 At this time, the Department asks that the
15 Board authorize the proposal to be filed with the Texas
16 Register so that might begin the process of rule review
17 for those three chapters. Thank you, Chairman.

18 MR. BACARISSE: Okay. Members, any -- are
19 there any public comments on this particular agenda item,
20 Ms. Beaver?

21 MS. BEAVER: We have not received any public
22 comment for this agenda item or any other agenda items at
23 this time, but I will let you know if we have anything
24 that come through during the pendency of this --

25 MR. BACARISSE: Great.

1 MS. BEAVER: -- meeting.

2 MR. BACARISSE: Thank you.

3 Members, I would ask, since we have no public
4 comment, you know, first of all, let's get a motion on the
5 floor and then we can have question and conversation. So
6 I would entertain a motion for Agenda Item 5.B.

7 MS. McRAE: Chairman, I'd like to make a
8 motion.

9 MR. BACARISSE: Okay. Yes.

10 MS. McRAE: I'd like to move that the Board
11 approved the proposed notice of intent to review Chapters
12 206, 218, and 221 for publication in the Texas Register
13 for public comment.

14 MR. BACARISSE: Thank you, Member McRae.
15 Appreciate that.

16 MR. RAMIREZ: I second.

17 MR. BACARISSE: Is there a second? There's a
18 second by Member Ramirez. So are there any questions or
19 comments on this move -- this motion?

20 (No response.)

21 MR. BACARISSE: Hearing none, I would entertain
22 a vote. Please state your name as I call the roll.

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: And Member Scott?

13 MR. SCOTT: Aye.

14 MR. BACARISSE: And I, Chairman Bacarisse, vote
15 aye as well. Thank you. Let the record reflect that it
16 is unanimous.

17 We now move on to Agenda Item 6, and I'll turn
18 it over to Matthew Levitt for that part of the agenda,
19 please.

20 Good morning, again.

21 MR. LEVITT: Good morning, Mr. Chairman,
22 members. My name is Matthew Levitt. I'm the Human
23 Resources Director. I will be discussing this item very
24 briefly. There is a state statute that passed requiring
25 accretion of family leave pool.

1 The intent of the family leave pool is to
2 provide employees more flexibility in bonding with and
3 caring for children during their first year of birth or in
4 caring for a seriously ill family member. The way the
5 pool works is that other employees would donate their
6 leave time, and employees would apply to use that leave
7 time.

8 The intent is to have this as a part of the
9 administration by Human Resources Division as part of the
10 human resources mandate. That is your brief overview.
11 I'd be happy to answer any questions about it.

12 MR. BACARISSE: Members, any questions for Mr.
13 Levitt on this item?

14 (No response.)

15 MR. BACARISSE: I think it's a wonderful
16 policy, and I appreciate the agency moving in this
17 direction. That's my personal opinion.

18 Anyway, other comments, members?

19 (No response.)

20 MR. BACARISSE: Great. I'll now entertain for
21 Agenda Item 6, please.

22 MR. SCOTT: Mr. Chairman?

23 MR. BACARISSE: Yes, Mr. Scott?

24 MR. SCOTT: I move that the Board approve the
25 proposed new Section 208.13 for publication in the *Texas*

1 *Register* for public comment.

2 MR. BACARISSE: Is there a second to this
3 motion?

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

5 MR. BACARISSE: Member Omumu, thank you.
6 Any further discussion?

7 (No response.)

8 MR. BACARISSE: If not, let me call the roll
9 for vote, please. Member Alvarado?

10 MR. ALVARADO: Aye.

11 MR. BACARISSE: Member Gillman?

12 MS. GILLMAN: Aye.

13 MR. BACARISSE: 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. That it is unanimous. Thank you, Mr.
2 Levitt.

3 At this point in the agenda, we are moving on
4 to Item 7, and we have some specialty plates, I believe.
5 So I'll turn it over to Patricia.

6 There you are. Good morning.

7 MS. UECKERT: Good morning, and good morning,
8 Chairman and Board members. My name is Patricia Ueckert,
9 and I am Section Director of Vehicle Titles and
10 Registration Division - Operations Section.

11 The action item before you is a request from
12 the Vehicle Titles and Registration Division for Board
13 approval or denial, in accordance with the Board's
14 statutory authority.

15 The three plate designs submitted for your
16 consideration can be referenced on page 21 of your Board
17 book. Each plate design is from the State's Specialty
18 License Plates marketed under My Plates.

19 The first plate design is from My Plates, who
20 seeks approval for the design and issuance of a University
21 of Florida crossover plate design proposed under
22 Transportation Code, Section 504.6011 and Section 504.851.

23 The Department posted the proposed design for
24 public comment in October 2021. 110 people liked the
25 design and 133 did not.

1 The second plate design is from My Plates, who
2 seeks approval for the redesign and issuance of an
3 existing University of Missouri plate proposed under
4 Transportation Code, Section 504.851.

5 The Department posted the proposed design for
6 public comment in October 2021. 137 people liked the
7 design and 135 did not.

8 The third plate design is from My Plates who
9 seeks approval for the design and issuance a University
10 of Texas at El Paso crossover plate design proposed under
11 Transportation Code, Section 504.6011 and 504.851.

12 The Department posted the proposed design for
13 public comment in November of 2021. 894 people liked this
14 design and 205 did not. The agency requests your
15 consideration for approval of these plates, and this
16 concludes my presentation.

17 MR. BACARISSE: Ms. Ueckert, I just have a
18 question. Have you ever seen a scenario where more people
19 don't like the plate than do like the plate? Does that
20 happen?

21 MS. UECKERT: Yeah, yes.

22 MR. BACARISSE: Yeah.

23 MS. UECKERT: On occasion, we do. And I think
24 it could be that it's a collegiate plate --

25 MR. BACARISSE: Were these Georgia fans that

1 piled in and -- yeah.

2 (General talking and laughter.)

3 MR. BACARISSE: A little social media campaign,
4 perhaps?

5 MS. UECKERT: Exactly.

6 MR. BACARISSE: Thank you for the report.
7 Members, do you have any questions on this
8 item?

9 (No response.)

10 MR. BACARISSE: The Chair would entertain a
11 motion for Agenda Item 7. And we could do one, all three,
12 or we could take them separately. Whatever you want to
13 do.

14 Yes, Member Gillman?

15 MS. GILLMAN: And I move that the Board approve
16 all plate designs, as presented by staff.

17 MR. BACARISSE: And is there a second?

18 MR. GRAHAM: Second.

19 MR. BACARISSE: Member Graham, thank you. Any
20 further discussion on this?

21 (No response.)

22 MR. BACARISSE: If not, I'd be happy to call
23 the roll again for this motion.

24 Member Alvarado?

25 MR. ALVARADO: Aye.

1 MR. BACARISSE: Member Gillman?

2 MS. GILLMAN: Aye.

3 MR. BACARISSE: Member Graham?

4 MR. GRAHAM: Aye.

5 MR. BACARISSE: Member McRae?

6 MS. McRAE: Aye.

7 MR. BACARISSE: Member Omumu?

8 MS. OMUMU: Aye.

9 MR. BACARISSE: Member Prewitt?

10 MR. PREWITT: Aye.

11 MR. BACARISSE: Member Ramirez?

12 MR. RAMIREZ: Aye.

13 MR. BACARISSE: Member Scott?

14 MR. SCOTT: Aye.

15 MR. BACARISSE: And I, Chairman Bacarisse, vote
16 aye. So the vote is unanimous. Thank you all, and thank
17 you, Ms. Ueckert.

18 We'll move on to Agenda Item 8, and I will now
19 be happy to turn it over. This is the Project and
20 Operations Committee update.

21 I'd be happy to turn it over to Committee Chair
22 John Prewitt to give us a summary of the Project and
23 Operations Committee meeting that was conducted yesterday
24 afternoon. It's a huge agenda. Members were active. I
25 appreciate that very much.

1 And if members have questions about any of the
2 items from the Project and Operations Committee update,
3 I'll ask the staff to please come up to the podium to help
4 answer those questions. So Member Prewitt, I'll turn it
5 over to you.

6 MR. PREWITT: Thank you, Mr. Chairman. We had
7 a very productive meeting yesterday. It lasted somewhere
8 around three hours, I believe. Starting with this, let's
9 start with Agenda Item 8, Camp Hubbard facilities update.

10 The Department is giving the Camp Hubbard
11 facilities a much-needed facelift. Current activities
12 including painting lobbies and hard wall offices,
13 replacing and refurbishing Texas DMV signage, updating the
14 Lone Star board room and modernizing the lobby elevator in
15 Building 1.

16 The Department is also working with the Texas
17 Department of Transportation, TxDOT, to develop and
18 implement plans to update the Midland-Odessa RSC in fiscal
19 year 2022-23.

20 Finally, the Department is also working with
21 the Texas Facilities Commission to obtain bids for a
22 vendor to develop a design and implementation plan for a
23 new headquarters building on the Camp Hubbard campus.

24 Are there any questions on this section?

25 MR. BACARISSE: Members? Member Graham?

1 MR. GRAHAM: Just wondering if we have a -- if
2 the Committee has got their hands around what post-COVID
3 facilities needs are going to look like. I mean, I know
4 that we have a more significant number of folks working
5 from home, and you know, does that change the needs from
6 what we thought it might look like, you know, 12 months or
7 18 months or 24 months?

8 So I was just wondering.

9 MR. PREWITT: Executive Director?

10 MS. BREWSTER: Thank you. Mr. Chairman?

11 MR. BACARISSE: Yes, Ms. Brewster?

12 MS. BREWSTER: Whitney Brewster, Executive
13 Director. Member Graham, that is something that is
14 actually going to be included in the assessment. To your
15 point, the space that we once had we may potentially not
16 need, or we may need different types of space versus what
17 we had before.

18 So yes, that is part of the assessment and will
19 be going to the Project and Operations Committee.

20 MR. GRAHAM: Okay. Thank you.

21 MS. BREWSTER: Thank you.

22 MR. BACARISSE: Yes, Member Gillman?

23 MS. GILLMAN: The assessment that you're
24 talking about, Whitney, is that kind of a post-COVID
25 assessment?

1 MS. BREWSTER: Yes. Yes, ma'am. We've had a
2 couple of assessments prior on what the agency would need
3 in terms of space. This would be to re-look at that
4 assessment in light of our post-COVID, or as we transition
5 out of COVID.

6 And so that is part of our assessment, so that
7 we can come back before the Legislature with a better
8 dollar amount and a plan for what we specifically need for
9 TxDMV today.

10 MR. BACARISSE: Great. Any other members,
11 question?

12 (No response.)

13 MR. BACARISSE: I think this is a topic that
14 I've heard the members keenly interested in, wanting to
15 ensure that we make the best use of our opportunity to
16 plan for the future --

17 MS. BREWSTER: Yes.

18 MR. BACARISSE: -- in this facility. And so I
19 think that we'll have great participation from the Board
20 and Chairman Prewitt in this endeavor.

21 And so I'm sorry. Please continue, Mr.
22 Prewitt.

23 MR. PREWITT: Thank you, Mr. Chairman. Item
24 8.B., Active Agency Projects. This is a briefing item.
25 We have a lot of projects at the agency at this time. Ms.

1 Barron provided an update on the status of current active
2 agency projects.

3 This update included a description and a status
4 update on the nine active projects overseen by the
5 Information Technology Services Division, ITSD;
6 by Project Management Office, PMO; including the Statewide
7 webDEALER Adoption Phase II, webLIEN, webSALVAGE, Digital
8 License Plates, a Call Center Upgrade, the Texas
9 International Registration Plan, Registration and Title
10 System Batch Cycle, the Texas by Texas; Motor Carrier
11 Credentialing System, the rewrite of that; and the
12 Legislative Application Changes.

13 The status also included updates on application
14 enhancements being developed in response to legislative
15 changes.

16 Two of the more significant work efforts
17 include modifications required by House Bill 3927 and
18 Senate Bill 876. These changes will be released in
19 alignment with the adoption of the rules.

20 Ms. Barron is here to answer any questions on
21 this item. Are there any questions?

22 MR. BACARISSE: Members, any questions for Ms.
23 Barron on all these various topics? I know y'all had a
24 fulsome discussion yesterday and --

25 MS. McRAE: Mr. Chairman, I'm --

1 MR. BACARISSE: Yes, Member McRae?

2 MS. McRAE: I'm interested in the Phase II of
3 the webDEALER adoption. What exactly is Phase II? What
4 does it look like?

5 MR. BACARISSE: Great. Great question.

6 MS. BARRON: Good morning. For the record,
7 Wendy Barron, Interim CIO. Member McRae, Phase II is
8 additional tickets to improve the work flows, the
9 processing and usability of the system, specifically some
10 of the -- there were some defects identified by the
11 counties that were report to us that we're fixing some of
12 those items and just overall making the system better to
13 increase usability and provide better services to the
14 customers.

15 MS. McRAE: Okay. Can I ask another question?

16 MR. BACARISSE: Certainly, yes. Go ahead.

17 MS. McRAE: We -- out in the counties, we know
18 that RTS is up and down.

19 MS. BARRON: Yes, ma'am.

20 MS. McRAE: And it seems to be down at our
21 busiest times of the month, end of the month, beginning of
22 the month, when we have the most customers waiting.

23 Are y'all looking at anything to try to get
24 that system stable, more stable?

25 MS. BARRON: Yes, ma'am. So a lot of those

1 issues are actually network issues --

2 MS. McRAE: Right.

3 MS. BARRON: -- and we are -- actually we're
4 going to be recommending to the governance team a project
5 to upgrade off of the older T-1 technologies onto fiber
6 Metro Ethernet. And so we're going to be bringing that
7 forward actually this month, and so at the next P&O
8 meeting, we'll have an update on that project.

9 But we do -- it's not necessarily RTS, the
10 application itself; it's the network issues that are
11 really causing the problems for y'all in the counties. So
12 we are looking at working with our vendor partner AT&T and
13 getting those lines upgraded.

14 And that's going to not only increase
15 stability, but it's also going to increase the input, so
16 you'll have more throughput, and you won't see maybe
17 sometimes the way things are slow. And so that will --
18 that's really going to benefit you guys. And I think that
19 project alone is probably going to bring some significant
20 positive change for the counties.

21 MS. McRAE: Okay. So -- and I'm just thinking
22 for my county, Montgomery County. When -- I have two new
23 offices that have recently -- or they're underway, in the
24 installation -- so those will have the fiber lines.

25 MS. BARRON: Yes.

1 MS. McRAE: One of them already has, but the
2 the other one -- and so then they'll be changing out on
3 the existing offices to the fiber lines?

4 MS. BARRON: Yes, ma'am.

5 MS. McRAE: Okay.

6 MS. BARRON: Yes, ma'am. So any -- and that
7 is part of our strategy, as well, is that any new offices
8 or moves, we go ahead and -- we've gone ahead and upgraded
9 to the fiber in those events. But, yes, this is existing
10 offices that don't have any changes that we're working
11 through to upgrade those lines.

12 We're also, in that process, going to be
13 deploying backup cellular service, where cellular is
14 available and reliable. I mean, there are some parts of
15 Texas where unfortunately it's somewhat remote. Right?
16 But for most -- the large portion of the state, cellular
17 is available, and so if something happened where we've
18 seen, you know, construction work and a worker cuts the
19 fiber line, you know, you wouldn't lose your office; it
20 would just roll over to cellular. So I think that's
21 really going to help with the RTS issues that the counties
22 are seeing.

23 MS. McRAE: Okay. Thank you.

24 MS. BARRON: You're welcome.

25 MR. BACARISSE: Members, any other questions?

1 Member Gillman?

2 MS. GILLMAN: I just have a comment. I applaud
3 your efforts to improve the network and anything we can to
4 avoid any kind of blackouts, because I'm seeing that it is
5 a serious problem, the titling issue, in Texas, and the
6 dealers are struggling.

7 So thank you for focusing on that and throw
8 some resources at it.

9 MS. BARRON: Yes, ma'am. Absolutely.

10 MR. BACARISSE: Members, anything else on this
11 particular issue?

12 (No response.)

13 MR. BACARISSE: Thank you, Wendy. Mr.
14 Chairman -- I mean, Chairman Prewitt, go ahead, please.

15 MR. PREWITT: Thank you, Chairman Bacarisse.
16 Item 8.C. is the Operational Plan. Tom Shindell provided
17 an update on our fiscal 2022 to fiscal year 2023 for the
18 Texas Department of Motor Vehicles Operational Plan.

19 It's located on page 36 of your Board books.
20 Tom Shindell, the Department's Innovation and Strategy
21 Analyst, informed the Committee that fiscal year 2022 to
22 fiscal year 2023 Operational Plan is a redesigned
23 document.

24 Ms. Brewster asked for an integrated document
25 that includes the Department's strategic plan activities,

1 its balance score card strategic initiatives, and specific
2 division initiatives.

3 Further, Ms. Brewster wanted strategic
4 management tools, such as our business drivers, included
5 as well to be more transparent. The new Operational Plan
6 makes the relationship clear between an activity and the
7 three strategic goals established by you, the Texas
8 Department of Motor Vehicles Board.

9 The activities specified in the Department's
10 most recent strategic plan define business drivers to
11 select a project, and finally the four perspectives and 13
12 objectives contained in the Department's balance score
13 card.

14 Dr. Shindell provided an overview of five
15 activities from among the 36, included in the plan, which
16 include the following: One, Enforcement Division, to
17 improve complaint resolution time frames and processes;
18 two, Human Resources Division, the Internal Education
19 Campaign; three, the Motor Vehicle Division: eLICENSING
20 for external user Guides, manuals, and videos; four, the
21 Office of Administrative Hearings: develop a Lemon Law
22 Education Campaign for the Public; and five, Motor Vehicle
23 Crime Prevention Authority: the Law Enforcement
24 Coordination Network Improvement.

25 The specifics of the five activities are

1 already in your Board materials. Do you guys have any
2 questions?

3 MR. BACARISSE: Members, any questions on
4 these?

5 (No response.)

6 MR. BACARISSE: Okay. I think we're good, Mr.
7 Prewitt.

8 MR. PREWITT: Okay. Thank you, Mr. Chairman.
9 On to Item 8.D., the Workforce Update. This is a briefing
10 item.

11 Human Resources Director Matthew Levitt
12 provided an update of the Texas DMV workforce. This
13 consisted a review of the current workforce demographics,
14 a summary analysis of employee turnover for fiscal year
15 '21, and an overview of market salary adjustments to
16 employees' pay.

17 The overall demographics of our workforce did
18 not change significantly compared to the last year. The
19 demographics of the workforce are generally comparable
20 with overall employment across all Texas state government.

21 Employee turnover was 16 percent for the year
22 2021. This was a very slight decrease compared to the
23 previous year. Two areas of comparatively high turnover
24 included African-American employees and employees within
25 the first two years of employment at Texas DMV. Both of

1 these are areas the staff plan to investigate further and
2 address.

3 Texas DMV did undertake a major review to
4 evaluate the competitiveness of employee pay in response
5 to several factors, including the increase in employee
6 turnover, the State Auditor's Office report identifying
7 Texas DMV as a high turnover agency, and employee
8 dissatisfaction with pay.

9 In order to increase the competitiveness of pay
10 compared to market rates, Texas DMV evaluated all
11 employees for consideration of a salary equity increase.
12 The primary factor for consideration in receiving a salary
13 equity increase was employee pay compared to their pay
14 range midpoint. Additionally, employee salary increases
15 were based on Texas DMV tenure and employee performance.

16 As a result of this project, salary equity
17 increases were granted to 50 percent of Texas DMV staff,
18 at a total cost of just over \$1.4 million. These salary
19 equity adjustments went into effect September 1, 2021.

20 Matthew Levitt is here to answer any questions
21 on this item.

22 MR. BACARISSE: Members, any questions for Mr.
23 Levitt on this item?

24 MR. RAMIREZ: I just have a comment, Chairman.

25 MR. BACARISSE: Please, Mr. Ramirez.

1 MR. RAMIREZ: Mr. Levitt, I'm looking at this.
2 Texas DMV is still below, you know, the state agency
3 average for employee turnover, and I think that's due in
4 large part -- I know everybody's had challenges through
5 COVID and everything the last couple of years, but I think
6 it's due in large part to the Human Resources Division and
7 the leadership of the executive team that our employees
8 have consistently not turned over as much, you know,
9 statewide averages.

10 So I want to applaud you for the work that you
11 continue to do, and I know that you're looking at ways to
12 make it even better. So thank you.

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

15 MR. GRAHAM: Mr. Chairman?

16 MR. BACARISSE: Yes, Mr. Graham.

17 MR. GRAHAM: Maybe generally more of a comment
18 than a question, but I know within my own business
19 operations, we're -- you know, it feels as though -- I
20 mean, we are giving raises. It's like -- it's just going
21 so fast.

22 In order to retain your talent, you know, you
23 get it done and then you turn around and you're losing one
24 and you're trying -- so I know that we just did this
25 equity adjustment. Frankly, I couldn't imagine, in

1 Austin, Texas, the pressure as an employer to retain
2 employees. It must be great.

3 And so is -- I guess my question would be, is
4 that an ongoing, you know, not just a once a year or --
5 you know, is that just something you can stay on top of
6 and continually evaluate? -- because I would think, right
7 now, that's what would be needed to try to hold onto what
8 you got and try to fill another, you know, position.

9 MR. BACARISSE: Yeah, yeah. Ms. Brewster,
10 would you comment on that?

11 MS. BREWSTER: Thank you. Whitney Brewster,
12 Executive Director. That's exactly right. It has to be
13 actively managed, and this was a way for us to level-set
14 and get our employees to where we needed them to be
15 equity-wise.

16 And so now it is up to the organization, the
17 leadership of the Department, to actively manage the
18 salaries, moving forward so they do not get below a
19 comparable rate. And so that's something that will be --
20 we will be looking at on an ongoing basis, to ensure that
21 we don't -- to ensure that we remain competitive.

22 But to specifically answer your question, yes,
23 Member Graham, we will continue to evaluate that. It's
24 not a one-and-done.

25 MR. GRAHAM: Yeah. Thank you. I know that,

1 you know, we historically -- speaking of myself, you know,
2 you're trying to balance keeping your costs down, to
3 provide, you know, a good service to your customers at a
4 reasonable price.

5 Here lately it feels like if you can just
6 provide the service regardless of price, they need it, and
7 so you know, that's really kind of what it feels like
8 right now. So it's just a result of a lot of work over
9 the last couple of decades to make Texas a great place to
10 do business. I think we just have to understand that.

11 So I just wanted to share that sentiment so
12 that, you know, you have my -- you know, my opinion that
13 we need to take care of folks and pay them adequately,
14 because the taxpayers, the citizens of Texas expect and
15 need us to be able to provide the services that we do. So
16 thank you.

17 MR. BACARISSE: That's very true. Thank you,
18 Mr. Graham.

19 Members, any other questions or comments on
20 this particular item?

21 (No response.)

22 MR. BACARISSE: Okay. And thank you. Hearing
23 none, Mr. Prewitt, please continue.

24 MR. PREWITT: Thank you, Mr. Chairman. In the
25 next section Leah Leone made a presentation on the

1 Ombudsman activities. The Employee Ombudsman activities
2 included the following: custom reporting to the executive
3 office, upper and middle management; proactive conflict
4 awareness; coaching and conflict management; agency-wide
5 training on morale, team building and development;
6 positive culture; and crucial conversation and
7 communications.

8 Also facilitated conversations and mediation
9 and dispute resolution, as well as conducting conflict
10 trend analysis. There was activities involved in
11 confidential communication and conflict resolution option
12 building with employees, as well as one-on-one employee
13 mentoring and productivity coaching.

14 There was responding -- the Ombudsman has been
15 responding to anonymous inquiries, as well as conducting
16 forums, town hall, and conversation café presentations.
17 Assisting with policy drafting was another activity the
18 Ombudsman engaged with, as well as the formation of
19 Employee Ombudsman process and procedure across agency
20 business process and work flow collaboration, building an
21 Employee Ombudsman resource web page, writing employee
22 relations and conflict resolution blogs, and then finally
23 the creation of internal agency podcasts and several other
24 employee engagement programs.

25 In short, Ms. Leone has been very busy.

1 MR. BACARISSE: Indeed. Well, I'm glad she's
2 here and having a good impact.

3 Members, any questions on this particular item?

4 Mr. Graham?

5 MR. GRAHAM: Would it be -- as I'm sitting here
6 looking at our turnover rate -- I mean, I would expect
7 that it would be a goal of this endeavor to empower
8 employees to deal with situations, crises, to have a work
9 environment in which that is dealt with, where we're
10 proactive not reactive to those, hopefully resulting in a
11 reduced turnover rate.

12 Is that a fair measurement tool to, as we kind
13 of look at -- I mean, I know it's early on. I'm not
14 implying this applies today, but would that be something
15 we would hope would lead to improvement?

16 MS. BREWSTER: Mr. Chairman, if I --

17 MR. BACARISSE: Yes, please, Ms. Brewster.

18 MS. BREWSTER: Whitney Brewster, Executive
19 Director. That's exactly right, Member Graham. That's
20 spot-on. The role of the Ombudsman is to proactively
21 address issues in the workplace and not wait until they
22 have become a formal complaint.

23 And so it's to address concerns over any issue
24 in the workplace, whether it's with a colleague, whether
25 it's a supervisor, that employees have a confidential

1 place to go where they can work through their issues, get
2 counseling and guidance from Ms. Leone, so that they can
3 feel like the workplace is a healthy place for them.

4 And so ultimately that should result in greater
5 production, as well as a decrease in turnover, Member
6 Graham. Thank you.

7 MR. GRAHAM: Thank you.

8 MR. BACARISSE: All right. Members, any other
9 questions?

10 MS. McRAE: Mr. Chairman, I have a question.

11 MR. BACARISSE: Yes, Member McRae. Yes.

12 MS. McRAE: I'm curious. How many employees
13 have actually gone to Ms. Leone? How many -- I don't know
14 how you quantify that. I'm sure she tracks that, but --

15 MR. BACARISSE: Ms. --

16 MS. BREWSTER: Yes.

17 MR. BACARISSE: -- Brewster?

18 MS. BREWSTER: Whitney Brewster, Executive
19 Director. In the presentation Ms. Leone gave yesterday,
20 she presented to the Project and Operations Committee that
21 she had spoken with or interacted with 143 different
22 employees over the course of the last year. And when you
23 think about our -- the number of employees we have, I
24 think it -- we have about 800 employees, but about 735 of
25 them currently filled. That's a pretty good number.

1 And if you think about what it means for
2 turnover, if she was able to address those issues and
3 those folks did not turn over, that's a significant impact
4 on the Department when it comes to the costs.

5 MR. BACARISSE: Sure. I have a question, just
6 out of curiosity. As well as with the remote work
7 environment that we're all in now, has that -- the number
8 of employees that access her and her services, how many of
9 those were virtual versus those that were on campus?

10 And has she seen a rise or an impact from being
11 virtual and the challenges?

12 MS. BREWSTER: Chairman Bacarisse, she's here,
13 if --

14 MR. BACARISSE: Yeah.

15 MS. BREWSTER: -- it would be all right if --

16 MR. BACARISSE: Sure. Oh, that --

17 MS. BREWSTER: -- she came forward.

18 MR. BACARISSE: -- would be great.

19 MS. BREWSTER: That she --

20 MR. BACARISSE: Absolutely. Please.

21 MS. BREWSTER: Thank you.

22 MR. BACARISSE: Thank you. Good morning.

23 MS. LEONE: Good morning.

24 MR. BACARISSE: There you go. Perfect.

25 MS. LEONE: Leah Leone, Employee Ombudsman for

1 the record. Good morning, Chairman and members, Director
2 Brewster, General Counsel.

3 To your question, yes. So many of my
4 interactions are online because of teleworking.

5 MR. BACARISSE: Uh-huh.

6 MS. LEONE: However, I have one stipulation,
7 that they must turn on their camera, because it is
8 important for me, the connection.

9 Largely my work is about building relationships
10 of trust, and I can't do that through an avatar.

11 MR. BACARISSE: Right.

12 MS. LEONE: Many of the interactions I've also
13 had are in person, so it's a split, really.

14 MR. BACARISSE: Okay.

15 MS. LEONE: I invite people to show up to the
16 office if they're in Austin, and they have obliged.

17 MR. BACARISSE: Good.

18 MS. LEONE: We spoke yesterday about
19 confidentiality in that way, and so I make certain to take
20 all precautions that they would be in a safe space;
21 there's no one else on the floor, and I try to schedule it
22 around that time. And I'd like to speak to culture, just
23 if I may?

24 MR. BACARISSE: Sure.

25 MS. LEONE: Michael is to actively look at

1 culture at our agency, to address it with proactivity, to
2 not be reactive to climate, which is more perception than
3 how people experience our culture, so I try to stay above
4 it and not to react to all of the storms, the ebbs and
5 flows of business, and deal with the culture as a
6 longstanding premise through which people can operate
7 productively every single day at work and find joy and not
8 just a job. That's my goal.

9 Thank you, sir, for the time.

10 MR. BACARISSE: Members, any other questions,
11 now that we have you up here?

12 (No response.)

13 MR. BACARISSE: Thank you. We appreciate the
14 work you do every day.

15 MS. LEONE: Thank you so much.

16 MR. BACARISSE: Absolutely. Thank you. Mr.
17 Prewitt, anything further?

18 MR. PREWITT: Yes, Mr. Chairman. I'd like to
19 go ahead and cover the next section, which is the
20 organization update from Executive Director Brewster.

21 We have talked about the agency leadership
22 looking to continuously improve processes and find greater
23 alignment within the organization. There have been
24 several significant organizational changes made recently
25 that were shared with us, will be shared with later today.

1 And Whitney went on to say, you know, she
2 appreciated the opportunity to share their initial
3 observations and the benefits that the agency hopes to
4 accrue by making these changes.

5 We then went on to hear from Brian Ge, who's
6 the Managing Attorney for the Enforcement Division,
7 provide an update on the transfer of the Compliance
8 Investigations Division to Enforcement.

9 Mr. Ge discussed the progress the Division made
10 to realize efficiencies in case processing, how the
11 Division reduced confusion for county tax assessor-
12 collectors, and the creation of a new key performance
13 indicator for the Field Services Section, as well as
14 revisions to the standard operating procedures for
15 compliance reviews.

16 To realize efficiencies in case processing,
17 former CID investigators were trained on how to conduct
18 investigation involving motor vehicle and salvage dealers.

19 Former CID data and administrative support staff were
20 trained on the enforcement side of eLICENSING and how to
21 run certain daily and monthly reports.

22 The red flag cases were also fully transitioned
23 to Motor Vehicle Investigations to allow compliance
24 specialists to dedicate their efforts to conducting
25 compliance reviews full-time.

1 Supervisory and support staff were also given
2 access to the Registration and Titling System to
3 streamline the process of placing and removing title
4 rejections on motor vehicle records associated with red
5 flag cases.

6 To reduce confusion for the county tax
7 assessor-collectors, Enforcement hosted several webinars
8 and attended several in-person events to educate the tax
9 assessor-collectors in the roles and responsibilities of
10 the Department's Vehicles, Titles and Registration
11 Division, and the Field Services and Investigation
12 Sections within Enforcement.

13 A new red flag referral process was also rolled
14 out to streamline the process for TAC staff, and the new
15 process is integrated into the Department's online
16 complaint portal, and it allows for expanded tracking and
17 automation.

18 A new KPI, key performance indicator, on the
19 average number of calendar days to conclude a county
20 compliance review was created to increase transparency
21 with our tax assessor-collector partners by establishing a
22 measure of the acceptable turnaround time for completing a
23 compliance review.

24 Finally, Enforcement has made revisions to
25 their compliance review standard operating procedures to

1 convey a better representation of the risks faced by a
2 county tax assessor-collector, as well as allowing
3 compliance specialists to review all counties, rather than
4 specific enumerated counties.

5 In addition, Enforcement saw a 305 percent
6 increase in the number of complaints on a monthly basis,
7 between March 2020 and August 2021, with a 38 percent
8 reduction in overall cases for the same period.

9 If you have any questions, Mr. Ge is present to
10 answer them.

11 MR. BACARISSE: Members, any questions on this
12 item?

13 MR. RAMIREZ: Not a question, but a comment,
14 Mr. Chairman.

15 MR. BACARISSE: Yes, Mr. Ramirez?

16 MR. RAMIREZ: You know, as we go forward with
17 improving Enforcement and CID and looking at their SOPs
18 and how they can better partner with law enforcement, and
19 we all know the eTAG issue that's very, very critical to
20 this agency, I just want to make sure that the
21 collaboration and bringing them all under one house, that
22 everybody is now on the same team when it comes to these
23 investigations, and everybody is on the same team when it
24 comes to the mission of making sure that we stop any
25 illegal behavior that's happening within our system.

1 So I think integrating them both was a
2 phenomenal idea. It was forward-looking, and I think it's
3 only going to help whenever we do develop new strategies
4 to shut it down. So I'm excited that it was merged, and I
5 think Director Thompson is going to do a tremendous job
6 leading it forward.

7 MR. BACARISSE: Members, anything else?

8 Ms. Gillman?

9 MS. GILLMAN: I just have a comment also.
10 Thank you, Brian, for your presentation yesterday. I
11 learned a lot, and I asked if the webinar could be
12 possibly shared with Texas auto dealers and the
13 independent dealers for education purposes.

14 And also, I also applaud the combining of the
15 department to add manpower to get through these cases.
16 And complaints going up 305 percent is alarming, and I
17 think a lot of it is -- or what Brian said yesterday was
18 it's a whole lot of title issues, and so I know you're
19 going to need the manpower.

20 And again, the title issues are -- I mean, a
21 300 percent rise is there. The facts are right there. We
22 need help getting through them, and I applaud Cory and
23 Brian and their department for attacking this.

24 And go get 'em. Thank you.

25 MS. McRAE: Mr. Chairman?

1 MR. BACARISSE: Are you --

2 MS. GILLMAN: Yes. I'm finished.

3 MR. BACARISSE: Okay. Yes, Member McRae?

4 MS. McRAE: I too would like to commend them,
5 because as -- out in the counties, we are the boots on the
6 ground. We are forward-facing with the customers. We are
7 the first line of defense for the fraud. And we see it
8 multiple times a day.

9 It gets discouraging because we do send in a
10 lot of red flags. And so we -- as a tax assessor, we
11 really never know the resolution in most cases. We don't
12 know if -- and I understand to some degree that there
13 is -- there has to be -- the information has to be
14 withheld at some point.

15 But we do appreciate the fact that there are
16 more people being dedicated to this task, because we know
17 fraud is -- I mean, we're losing millions of dollars
18 through fraudulent activity in this state. So I applaud
19 them for that as well.

20 MR. BACARISSE: Member McRae, help me to
21 understand, from the tax office perspective, is there a
22 particular type of title fraud that is prevalent? Or is
23 it -- or are various types -- what are sort of your top
24 two kind of transactions you see that raise the flag at
25 the office?

1 MS. McRAE: Well, of course we see a lot of
2 odometer fraud.

3 MR. BACARISSE: Okay.

4 MS. McRAE: We catch that.

5 MR. BACARISSE: Okay.

6 MS. McRAE: I think that my staff in Montgomery
7 County -- I have some of the best little detectives
8 around, because they pay close attention to that.

9 There's a lot of forgery, name forgery, but
10 we're not handwriting experts, so --

11 MR. BACARISSE: Right.

12 MS. McRAE: -- we are kind of limited in that.
13 There's a lot of stolen vehicles that we catch on the
14 front line because there's a flag on the record and we're
15 able to stop it. We contact our Auto Theft Division, and
16 a lot of it is innocent purchasers, but some of them are
17 not.

18 So what that -- I'm very thankful for the
19 relationships there, because we are able to stop those --
20 return those vehicles to the rightful owners. But I guess
21 odometer fraud, probably, and people just trying to skip
22 ownership.

23 MR. BACARISSE: Uh-huh.

24 MS. McRAE: They want to -- they never
25 transferred the title into their name, and so they're

1 trying to get around doing that. So I think that's
2 probably the number one.

3 MR. BACARISSE: And what has been the impact --
4 or what do you think will be the impact going forward, as
5 certain counties in the state reduce their level of
6 workforce -- they go to 50 percent capacity, like Harris
7 has -- on your offices and your ability to detect that
8 fraud at the front end?

9 How does that burden you or how does that
10 impact you?

11 MS. McRAE: Well, the day that Judge Hidalgo
12 announced that they were raising their level to orange, I
13 received calls from four Harris County motor vehicle
14 dealers, and asked if I would be able to help them. And
15 of course, I'm going to help them, because we're trying to
16 keep business and economy moving forward here in Texas.
17 So of course, I'm going to help them.

18 You get to know your dealers.

19 MR. BACARISSE: Uh-huh.

20 MS. McRAE: You get to know your public.

21 Especially with the dealer transactions there are some
22 that we watch very closely, we monitor very closely. So
23 as far as out-of-county dealers coming to us, we're at a
24 disadvantage there, because we really don't know their
25 habits. But we are just -- we pay close attention to

1 them, and I do see that -- it having an impact on our
2 office.

3 MR. BACARISSE: Certainly. Okay.

4 Member Gillman?

5 MS. GILLMAN: Thank you, Mr. Chairman. I am
6 glad that, Tammy, you've outlined some of the real
7 problems and concerns that you face.

8 As a franchise dealer, I'm always trying to
9 catch fraud as well before it ever gets to you guys, at
10 the tax --

11 MR. BACARISSE: Uh-huh.

12 MS. GILLMAN: -- office, but ours is just plain
13 old delay. It's just -- my -- most of my title issues are
14 because of the lack of manpower, lack of manpower, and
15 it's just what used to take --

16 MR. BACARISSE: At the county or the state
17 level, other states --

18 MS. GILLMAN: -- both the county --

19 MR. BACARISSE: -- and out of state. Yeah.

20 MS. GILLMAN: -- level and at DMV. It's
21 just --

22 MR. BACARISSE: Yeah.

23 MS. GILLMAN: -- what used to take less than --
24 for sure, less than 30 days is many, many times, taking
25 longer. And it's an inconvenience, and I can't explain it

1 to my customers. So anything we can do to speed up the
2 process, because I'm -- I don't know. I'd have to ask
3 Brian, but of the 300 percent complaints, it's not all
4 fraud; it's just delay.

5 MR. BACARISSE: Right.

6 MS. GILLMAN: It's just customers not getting
7 their plates, and so that's why I applaud the agency for
8 their efforts to beef up the manpower to help with that.
9 Thanks.

10 MS. McRAE: Chairman?

11 MR. BACARISSE: Yes, Member McRae?

12 MS. McRAE: I would just like to add one more
13 comment, that a county tax assessor, under statute, we
14 have a 72-hour window to process a title from the time
15 that it was received.

16 And so I mean, we do that in Montgomery County.

17 I take great pride in that and so do my staff. I realize
18 my volume is not that of a Harris or Dallas or Bexar --

19 MR. BACARISSE: It might be.

20 MS. McRAE: -- but it's all relevant.

21 (General laughter.)

22 MR. BACARISSE: It might get there. Hang on.

23 MS. McRAE: But we do have a statutory
24 obligation to process as quickly as possible, and the
25 statute is 72 hours.

1 MR. BACARISSE: Seventy-two.

2 Yes, Member Brewster -- I'm sorry -- Ms.
3 Brewster.

4 MS. BREWSTER: Thank you, Chairman. Member
5 Gillman, to address -- also on the titling issue, the
6 State has five days to send the title to the customer. We
7 do track that very closely, and we are well below the
8 statutorily required five days.

9 So if you are having issues or concerns with
10 things that you're hearing, maybe that you're not getting
11 the title quickly enough, I would love to hear those so
12 that I can understand if there are truly TxDMV issues with
13 turning the titles around. Our numbers are not showing
14 that.

15 MR. BACARISSE: I'm curious to know. Stacey
16 and I have had just -- you know, because we both live in
17 Houston, we talk to each other on occasion. The out-of-
18 state title transfer has been a real challenge for you and
19 I'm sure other dealers as well, where it's a byproduct of
20 Texas in-migration. Right?

21 MS. GILLMAN: Right.

22 MR. BACARISSE: So can you speak to some of
23 those challenges as well?

24 MS. GILLMAN: I just --

25 MR. BACARISSE: Or do you want to?

1 MS. GILLMAN: Yeah.

2 MR. BACARISSE: Okay.

3 MS. GILLMAN: It's just very regular to see
4 people trading in cars from Michigan and New Jersey and
5 California, and no one has their title.

6 So every single one, you have to apply for lost
7 title, duplicate title and paying off liens in those
8 states, and it's just causing further delay, and it's no
9 one's fault.

10 It's just they have COVID issues and manpower
11 issues also in New Jersey and Wyoming and California, and
12 so the title delays are -- it just seems to compound. And
13 so we are trying so hard to communicate with our customers
14 and be transparent and tell them where we are in the
15 process, but it is -- I just know that some of those
16 complaints that are coming in are because of that.

17 MR. BACARISSE: Yes, Member Graham?

18 MR. GRAHAM: Two questions, and I'm not sure
19 who I'm directing this to, but my first question is, in
20 these counties -- it sounds like Harris County being one
21 of them -- that are at 50 -- made the decision on a county
22 level to operate at 50 percent, I mean, that just -- what
23 does that mean?

24 MR. BACARISSE: That means that half their
25 staff isn't working, essentially.

1 MR. GRAHAM: It is -- they've said, we're --

2 MR. BACARISSE: Dropped down --

3 MR. GRAHAM: Is that to have less people in the
4 building, to make room --

5 MR. BACARISSE: Right. That's the idea. Yeah.

6 MR. GRAHAM: Okay. So when that happens, is
7 the title work just delayed, or does it get pushed -- it
8 sounds like it gets pushed to other counties. I mean,
9 what's that look like? And I'll let you start there.

10 MR. BACARISSE: Member McRae?

11 MS. McRAE: Well, most of our dealers are --
12 most of our franchised dealers, anyway, are on webDEALER,
13 and webDEALER is the electronic process by which they
14 submit the title work to the counties, and we work it
15 from -- by receiving it electronically.

16 There's a couple of different scenarios with
17 the webDEALER. Some dealers have inventory, meaning they
18 have plates and they can issue the plates. Some
19 webDEALER -- or some dealers through webDEALER are not
20 able to issue inventory, so that's between them and their
21 county tax assessor-collector how they're set up.

22 But with reduced staff, because I will tell you
23 most of our dealer work comes through webDEALER, the
24 majority of our dealer work, so I don't know. I mean, it
25 would have an impact on the dealers and the customers. It

1 has to have an impact, because you don't have as many
2 individuals that are processing the work.

3 And I think here -- I recently read a news
4 article here in Travis County. I think they're only
5 accepting online appointments, not -- they won't accept
6 walk-ins. And so they're over a month behind, I think, is
7 what I read. So it does have an impact, again, on the
8 dealers and on the general public.

9 MR. BACARISSE: Yeah.

10 MR. GRAHAM: And so as a follow-up question, I
11 know that when these things go over certain periods of
12 time, it leads to fines/fees. Right? And so either the
13 consumer -- well, it's a consumer transaction.
14 Consumer -- I mean, they would -- some -- one of them
15 would be responsible.

16 In these cases where it's a titling issue, say
17 a dealer trying to get a title from out of state and it
18 takes 90 days or 120 days to get it in, who is responsible
19 for those fees?

20 MS. McRAE: Well, if it's a -- if the dealer is
21 late in submitting the transaction, past the deadline,
22 past that period, then the county tax assessor's office is
23 going to assess the penalty to the transaction.

24 If it is in the tax office before the deadline,
25 then there is no penalty assessed to it. Even though it

1 may be delayed in the processing, there is no penalty
2 assessed. But I think -- Stacey and I were talking about
3 that. You know, does she cover -- if the delay is on her
4 end, from the dealership, does she cover that penalty, or
5 does she pass it on to the consumer? And I think she said
6 she always covers it for her customers.

7 MS. GILLMAN: Correct. The dealership pays it.
8 I don't pass it on to the customer, because I don't think
9 it's their fault.

10 MS. McRAE: Right.

11 MR. GRAHAM: Okay. And then one quick
12 question. If you get an odometer -- you get a transaction
13 that clearly there's been an odometer rollback, you turn
14 that over to DMV for investigation. Is that correct?

15 MS. McRAE: We do, because what we want to do
16 is, get that -- we could reject it, but we want to process
17 it, because we want to get that title off the streets, and
18 we want to get the investigative process started, and
19 that's how we're able to do that. So we submit it as a
20 red flag.

21 MR. GRAHAM: And so at that point, DMV
22 investigates it. If they find there is a potential for
23 fraud, is that turned over to the authorities in that
24 particular county, a DA? I'm just curious.

25 MS. BREWSTER: Right. There is a referral to

1 law enforcement from the agency, and if the referral is
2 taken, we provide information -- all of the information to
3 local law enforcement and work very closely with them on
4 their criminal prosecution of the entity.

5 And we also -- we provide expert information.
6 Brian is also here. Brian Ge --

7 MR. BACARISSE: Yeah, yeah.

8 MS. BREWSTER: -- is our Enforcement --

9 MR. GRAHAM: Yeah. I'm really interested in
10 this, to know --

11 MR. BACARISSE: Mr. Ge?

12 MR. GRAHAM: -- how common it is.

13 MR. BACARISSE: Yeah. Right.

14 MR. GRAHAM: And is that something that we may
15 need to dig into? Because, boy, there's -- that just
16 seems -- that's -- it really makes me angry to hear about
17 that.

18 MR. BACARISSE: Mr. Gee, good morning.

19 MR. GE: Good morning, members. Brian Ge,
20 Managing Attorney for the Enforcement Division. Once a
21 red flag comes into Enforcement for investigation, our
22 investigators do look at it. If there is appropriate
23 action to take against the dealer, if the dealer is
24 responsible for it, we will take administrative action
25 against the dealer.

1 If there is some element of criminality, we
2 will of course refer it up to law enforcement for
3 prosecution -- investigation and then hopefully
4 prosecution.

5 MR. GRAHAM: But in all likelihood, I would
6 think it's somebody working out of some little shop
7 somewhere that is -- you drive -- you take your car in,
8 and they do it. I mean, there's not a dealer involved, a
9 dealer situation. It would be just somebody owns a truck
10 and they take it to somebody that can roll it back.
11 Right?

12 MR. GE: I don't know --

13 MR. GRAHAM: It could be anything.

14 MR. GE: -- I don't know enough, even
15 anecdotally, to answer that, but there are instances where
16 perhaps salvage dealers are involved in these types of
17 situations.

18 MR. GRAHAM: Okay, okay. Well, anyway, I
19 didn't mean to rabbit trail us, but I was interested --
20 well, just --

21 MR. BACARISSE: I want to make sure we have a
22 good discussion on this item.

23 Anything else, members, on this item?

24 MS. BREWSTER: Mr. Chairman?

25 MR. BACARISSE: I'm sorry. Yes, Whitney? Yes?

1 MS. BREWSTER: Just -- I just want to make sure
2 that the members are also aware that we are part of the
3 National Motor Vehicle Title and Information System, where
4 if there is an odometer rollback, we have the ability to
5 see what was the last odometer reading for that vehicle on
6 the last issued title.

7 If it does come back that it's less than what
8 what we call an NMVTIS, then there's a hard stop, and that
9 title does not get issued by the agency. And that's
10 caught on the back end. Now, then there are referrals
11 from there. But there is a hard stop on that process, so
12 we do catch them.

13 I also wanted to remind the Board that their --
14 at the last session, S.B. 876 was passed, and that bill
15 will be in effect March 1, 2022, where any willing county
16 can take the transactions of another.

17 But just wanted to make sure that the Board
18 was -- just remind the Board that that bill is soon to be
19 going into effect.

20 MR. BACARISSE: Okay. Anything else, members?

21 (No response.)

22 MR. BACARISSE: Mr. Prewitt, do you have some
23 other --

24 MR. PREWITT: I do.

25 MR. BACARISSE: -- items to -- go forward,

1 please.

2 MR. PREWITT: I do, Mr. Chairman.

3 MR. BACARISSE: Sure.

4 MR. PREWITT: John Prewitt for Project and
5 Operations Committee, for the record. The next thing we
6 discussed at our meeting yesterday was the consolidation
7 of the Motor Carrier Division's Credentialing and
8 Commercial Fleet Services into the Motor Carrier Licensing
9 Registration Section.

10 Mr. Jimmy Archer, the Motor Carrier Division
11 Director, provided a briefing on the consolidation of
12 MCD's Credentialing and Commercial Fleet Services sections
13 into one new section.

14 Motor Carrier Division saw an opportunity to
15 serve the customers more efficiently by consolidating
16 these two sections in one new Motor Carrier Division
17 section, the Motor Carrier Licensing and Registration
18 Section. The merger became effective -- or excuse me --
19 became official on 9/1/2021, so that the change aligned
20 with the fiscal year for budgeting purposes.

21 What these two operations have in common is
22 registration, whether a motor carrier is a business,
23 whether the vehicle is used by these motor carriers.

24 The Credentialing business area or branch is
25 responsible for making sure motor carriers are properly

1 registered with the Texas DMV and/or unified carrier
2 registration and have liability insurance coverage, as
3 required by law.

4 The Commercial Fleet Services operational area
5 or branch helps motor carriers to register and manage the
6 fleets through the Commercial Fleet Program, as well as to
7 register motor carriers in the International Registration
8 Plan or IRP.

9 This enables the motor carriers to apportion
10 the registration in the states where they travel. The
11 reorganization allows the Motor Carrier Division to
12 realize a long-term goal of a one-stop shop for customers
13 for licensing and registration.

14 The Call Center staff programs are cross-
15 trained to handle any customers, as well as customers will
16 benefit, as it will no longer need to make separate calls
17 to multiple staff. And finally, the cross-trained staff
18 will improve response times during these periods of peak
19 demand.

20 Jimmy is here and available to answer questions
21 if you guys have any. Any questions?

22 MR. BACARISSE: Any questions, members?

23 (No response.)

24 MR. BACARISSE: Great.

25 MR. PREWITT: Job well done, Jimmy.

1 Finally, Mr. Chairman I'd like to talk about
2 the license plate manufacturing and the transfer to
3 Vehicle Titles and Registration Division.

4 Stefan Krisch, Registration Services Section
5 Director with the Vehicle Titles and Registration Division
6 explained the justification and benefits of transferring
7 oversight of the License Plate Manufacturing Program from
8 the Finance and Administrative Services Division to VTR.

9 A recent internal audit identified that VTR
10 owned 71 percent of the process, so transition to VTR is a
11 more natural business alignment that will benefit from the
12 additional program synergy. It is expected this new
13 arrangement will address other audit recommendations and
14 create additional efficiencies.

15 So great job, staff, and to all of the staff
16 that presented yesterday, job well done. Thank you.

17 MR. BACARISSE: It was a full agenda. Thank
18 you, Mr. Prewitt. Glad you were there to chair it.
19 Absolutely.

20 I would like to now move on to Agenda Item 9,
21 Finance and Audit.

22 And I will turn this over to Mr. Jason
23 Gonzalez. Good morning, Jason.

24 MR. GONZALEZ: Good morning. For the record,
25 Jason Gonzalez, Interim Internal Audit Director. And this

1 is a briefing item only. I'm just going to give you a
2 status update.

3 So since the start of the year, we've started
4 five audit engagements. We've completed two. We've
5 completed the annual activities reports, and we've also
6 completed the quality assurance and improvement program
7 report, which we'll discuss in detail.

8 We have two projects -- we have no projects in
9 planning. We have two that are in field work currently.
10 That's an assessment -- our ISTD assessment. And it's
11 also -- we have the -- so that's assets management, the
12 advisory service, and then we also have the -- we have
13 Internal Audit follow-up that's in field work, and we also
14 have dealer licensing process audit.

15 And we also have one in reporting, and that's
16 Internal Audit follow-up for the first quarter.

17 MR. BACARISSE: Great.

18 MR. GONZALEZ: Any questions on that?

19 MR. BACARISSE: Any questions, members, on
20 this, on this work that's ongoing?

21 (No response.)

22 MR. GONZALEZ: All right. Thank you. And then
23 we've issued one, and that's the Quality Assurance
24 Improvement Program, which we'll discuss.

25 MR. BACARISSE: Great.

1 MR. GONZALEZ: So we had an external team that
2 completed a review last year. They found us fully
3 compliant with audit standards. We did find one item for
4 improvement, and then they have a comment.

5 The item for improvement dealt with staff
6 retention and recruiting. Our policies and procedures
7 have been updated, so we have addressed that issue. And
8 then their comment was also on our documentation of like
9 how -- excuse me.

10 MR. BACARISSE: Sure. Take your time.

11 MR. GONZALEZ: Yeah.

12 MR. BACARISSE: It's all right.

13 MR. GONZALEZ: It's our sample selection, our
14 processes, and that's been updated, and so it's now within
15 our audit program.

16 We met 90 percent of our KPIs last year, which
17 was an improvement from the previous year. We had one
18 where we did not, and that had to do with just project
19 budgeting, where we [inaudible] on our projects.

20 I think a lot of that has to do with just our
21 scope. We have large-scope projects, and it impacts just
22 our -- every component of it. And a lot of our projects
23 last year were pretty complex, as far as like
24 operationally complex, and I think that impacted it as
25 well.

1 Any questions on that so far?

2 (No response.)

3 MR. GONZALEZ: We made some improvement on our
4 capability model. Last year, we were at a level three.
5 We improved to a level four. Of the six components, we've
6 met level five compliance on all those. I believe that's
7 on page 75 in your Board book if you want to look at it in
8 detail.

9 The one component where we have not met level
10 five has to deal with just risk management and leveraging,
11 the Department's risk management. Since we don't have an
12 independent enterprise risk management function, we're not
13 able to leverage it.

14 We had some increase in fraud, waste, and
15 abuse. We had a 271 percent increase in our processing of
16 fraud, waste, and abuse complaints. We substantiated
17 eight last year, which is also an increase. I think
18 that's -- just in my opinion, I think that's due to just
19 market.

20 So are there any questions at all?

21 MR. BACARISSE: Members, any questions?

22 MR. RAMIREZ: I have one, Chairman.

23 MR. BACARISSE: Yes, Mr. Ramirez?

24 MR. RAMIREZ: So on the -- sorry to double
25 back --

1 MR. GONZALEZ: That's fine.

2 MR. RAMIREZ: -- for a minute, but on the
3 internal engagements that are assigned to field work right
4 now --

5 MR. GONZALEZ: Yes, sir?

6 MR. RAMIREZ: -- the dealer licensing
7 process -- and I know we just recently asked, you know,
8 you guys to start looking into that.

9 MR. GONZALEZ: Yeah.

10 MR. RAMIREZ: Any anticipation on how long
11 that's going to be? I know you guys are taking a pretty
12 deep dive.

13 MR. GONZALEZ: We are. We've just started
14 field work. With our organizational shift that we've just
15 recently gone through, it's delayed us a little bit,
16 having lost Sandra. So I pulled off of that project for a
17 bit. I'm going back into it this week to hopefully
18 complete some components of field work.

19 I would anticipate, if I had to put a number on
20 it, it will -- we're probably still five weeks out from
21 completing actual field work, and then we have our quality
22 assurance that we have to go through, where we'll go to --
23 we'll meet with management.

24 Management will have an opportunity to read
25 through our report, and then we'll do another scrub on our

1 end, and then we'll go to the executive office for
2 commentary as well.

3 So I -- if I had to a number on it, I wouldn't
4 anticipate a report until probably February or so.

5 MR. RAMIREZ: Thank you. I don't want to rush
6 the process in any form of fashion --

7 MR. GONZALEZ: No. I appreciate that

8 MR. RAMIREZ: -- and I know we roped y'all into
9 this --

10 MR. GONZALEZ: No.

11 MR. RAMIREZ: -- to try to find some solutions,
12 but --

13 MR. GONZALEZ: That's our job.

14 MR. RAMIREZ: -- as soon as you guys get it
15 done, we'd all be very interesting in seeing, so that, you
16 know, our Executive Director and executive team have the
17 ability to make those changes that are necessary to stop
18 the bleeding.

19 MR. GONZALEZ: Yeah. We understand the
20 importance of the engagement, and we have a solid team on
21 it, and we're addressing it. We're looking in a very
22 objective manner, so taking all customers in account.
23 Yes.

24 MR. BACARISSE: Member Gillman?

25 MS. GILLMAN: Thank you, sir -- Mr. Chairman.

1 Just to support exactly what you said, isn't the Advisory
2 Committee meeting -- what date are they meeting, Whitney?
3 Is it December 15?

4 MS. BREWSTER: It's December 16.

5 MS. GILLMAN: Sixteenth?

6 MS. BREWSTER: Yes, ma'am.

7 MS. GILLMAN: And they're going to be looking
8 at this issue, along with temp tags. Right?

9 MS. BREWSTER: Correct.

10 MS. GILLMAN: So --

11 MALE VOICE: Yes, ma'am.

12 MS. GILLMAN: -- you've got two weeks. And not
13 necessarily -- I'm agreeing with you -- not to rush your
14 process, but can you please -- I think it would be really
15 helpful to have you listening, engaged, providing any
16 comment. I just think all heads on this -- that's why we
17 asked you to do this study, but let's not have the right
18 hand not know what the left hand is doing, is kind of what
19 I'm --

20 MR. GRAHAM: And you certainly have our --

21 MR. BACARISSE: Member Graham?

22 MR. GRAHAM: Oh, yes. I'm sorry.

23 MR. BACARISSE: Oh, that's all right.

24 MR. GRAHAM: Yeah. I certainly have -- we have
25 their commitment. You know, it's been all -- Jason just

1 got bombarded with all this stuff in the last 30 days, and
2 he's done a great job working through it. And again
3 getting him up to speed, he just had to pull off and make
4 sure we were rock solid on everything else. But I know
5 executive leadership and Audit understand this is a very
6 hot topic, and we're going as quickly as possible while
7 still maintaining the integrity of the process.

8 So -- and you know, it's -- and just overall, I
9 think -- I would add to Jason's comments that the Audit
10 team has -- it's really changed a lot in the last couple
11 of years where so much more of what we do is more on the
12 fly.

13 You know, it used to be you lined out a year,
14 and you more or less stayed to that, and then -- it was,
15 like, no, we need -- hold on. We've got this, we got
16 this. This is hot. We've got a problem, you know. The
17 math of the hours that we work has been shifted a lot to
18 make sure that we have the capacity to add these when
19 something like this comes up.

20 Obviously this has been a tough situation the
21 last 30 days, but we understand the importance. We'll
22 work hard on it.

23 MS. GILLMAN: So Jason, will we have a report
24 at -- I guess, the next Board meeting is -- is that
25 January or February?

1 MS. BREWSTER: February.

2 MR. BACARISSE: February.

3 MS. GILLMAN: February. We'll look forward to
4 it. Thank you.

5 MR. GONZALEZ: Yeah. We're looking forward to
6 completing the project. It's interesting, and we know
7 it's going to add some value.

8 MR. BACARISSE: Absolutely. Great work.

9 MR. RAMIREZ: Thank you, Jason.

10 MR. GONZALEZ: Thank you.

11 MR. BACARISSE: Thank you.

12 MR. GRAHAM: One other thing, Mr. Chairman, if
13 I could?

14 MR. BACARISSE: Yes, Mr. Graham? Yeah.

15 MR. GRAHAM: You'll be seeing some changes from
16 Audit in the way that we bring you results, audit results,
17 and you know, it's -- we -- and I've worked with Sandra on
18 this to -- you're not going to see a lot of the audit
19 explanations of process.

20 You're going to see the highest-level summary
21 results without explaining, well, you know, here's how we
22 did it. The fact is if you want to know how we did it, it
23 will be further down. We wanted to try to do a better job
24 of creating you a summary document that you could quickly
25 look at, understand, digest, and know exactly what it

1 meant, color-coded so you knew if it's red, it's bad; if
2 it's green, it's good.

3 So we've tried to simplify that a little bit
4 and make it a little easier to get your head around. So
5 you'll be seeing some of those changes coming.

6 MR. BACARISSE: Good. Thank you.

7 MS. GILLMAN: Excellent.

8 MR. BACARISSE: Thank you. We now want to move
9 to Agenda Item 9.B., and I will turn it over to Mr.
10 Archer.

11 Good morning, Jimmy.

12 MR. ARCHER: Good morning, Chairman Bacarisse,
13 members of the Board. For the record, my name is Jimmy
14 Archer. I'm Director of the Motor Carrier Division. This
15 is an action item. It's found on -- Item 9.B. is found on
16 page 80 of your Board books.

17 For the Board's consideration, I am requesting
18 that the Board delegate authority to Executive Director
19 Whitney Brewster to approve and to sign a renewal for the
20 Innovative Technology Deployment Commercial Vehicle
21 Information Exchange Window contract, or CVIEW contract,
22 services contract, to comply with the Government Code.

23 As way of background, I want to explain what
24 this does. Innovative Technology Deployment program, or
25 ITD, is a Federal Motor Carrier Safety Administration

1 program that provides grant funds and resources to
2 agencies to implement technologies that promote motor
3 carrier safety.

4 The ITD CVIEW tool is how Texas receives and
5 shares motor carrier safety with all other agencies. This
6 includes real-time out-of-service status for on-the-road
7 police enforcement. Out of service is when either a
8 carrier or a vehicle or a driver who is found -- has been
9 taken off the road for safety reasons.

10 CVIEW is a critical mission to provide for data
11 transfers to law enforcement 24 hours a day, seven days a
12 week. The ITD is important to the state in achieving
13 statewide Intelligent Transportation Systems for improved
14 safety and security.

15 It also improves efficiency and effectiveness
16 of safety programs through targeted enforcement, improves
17 data sharing within and between states and the Federal
18 Motor Carrier Safety Administration, and reduces federal
19 and state and industry regulatory administrative costs.

20 The faster we can push this information out to
21 law enforcement agencies and other agencies, the better
22 our enforcement is going to be and more efficient it's
23 going to be.

24 Texas joined the Information Technology
25 Deployment group, formerly known as Commercial Vehicle

1 Information and Safety Systems Network program, in 2001.
2 Texas DMV is an ITD-designated lead agency for this
3 effort. It is governed by a Steering Committee and
4 Working Group comprised of representatives of our
5 Department, Texas Department of Transportation, Texas
6 Department of -- Texas Comptroller of Public Accounts,
7 Federal Motor Carrier Safety Administration, Federal
8 Highway Administration, DPS, and Texas Trucking
9 Association.

10 Texas has successfully achieved and maintained
11 core ITD compliance by meeting FMCSA's requirements for
12 Safety Information Exchange, Credentialing Administration,
13 and Electronic Screening.

14 A contract renewal is needed for continued
15 software maintenance for CVIEW, posting and support in
16 maintaining our core ITE compliance and to assist
17 developing projects that fit under the Federal Motor
18 Carrier Safety Administration's definition of innovative
19 technologies.

20 The current vendor contract expires on
21 January 21, 2022. The current vendor, Southwest Research
22 Institute -- the contract's for 600,000 per year or 1.2
23 million for the biennium. Our current contract was
24 executed in January 2020 and has an initial -- had an
25 initial term of two years and three two-year renewal

1 options. This would be the first two-year renewal.

2 It is -- if the cost proposal is successful for
3 the proposed contract, the system of the current contract
4 and the total estimated cost, like I said, is 1.2 million
5 over the biennium.

6 I'd be happy to answer any questions you might
7 have about this.

8 MR. BACARISSE: Members, any questions for Mr.
9 Archer.

10 Yes, Member Ramirez?

11 MR. RAMIREZ: Director Archer, so the current
12 vendor that we have is satisfactory, and you're pleased
13 with how they're performing?

14 MR. ARCHER: Yes, sir. They -- as a matter of
15 fact, when we put this out for bid in 2020, they were the
16 only vendor that applied for it. And a little bit --
17 well, we're getting further down in the weeds. They were
18 the original vendor that helped developed this platform
19 back in -- when it was at TxDOT back in 2008 and first
20 implemented.

21 MR. BACARISSE: Any other questions for Mr.
22 Archer?

23 (No response.)

24 MR. BACARISSE: If not, I will entertain a
25 motion on Agenda Item 9.B.

1 MR. RAMIREZ: Chairman, I move --

2 MR. BACARISSE: Yes, Mr. Ramirez?

3 MR. RAMIREZ: Chairman, I move that the Board
4 delegate the authority to the Department's Executive
5 Director to approve and sign the renewal of the Innovative
6 Technology Deployment Commercial Vehicle Information
7 Exchange Window services contract.

8 MR. BACARISSE: And is there a second to that
9 motion?

10 MS. McRAE: I'll second.

11 MR. BACARISSE: Ms. McRae.

12 Now we have a motion and a second. Is there
13 any further discussion?

14 (No response.)

15 MR. BACARISSE: Hearing none, I'll call the
16 roll.

17 Member Alvarado?

18 MR. ALVARADO: Aye.

19 MR. BACARISSE: Member Gillman?

20 MS. GILLMAN: Aye.

21 MR. BACARISSE: Member Graham?

22 MR. GRAHAM: Aye.

23 MR. BACARISSE: Member McRae?

24 MS. McRAE: Aye.

25 MR. BACARISSE: Member Omumu?

1 MS. OMUMU: Aye.

2 MR. BACARISSE: Member Prewitt?

3 MR. PREWITT: Aye.

4 MR. BACARISSE: Member Ramirez?

5 MR. RAMIREZ: Aye.

6 MR. BACARISSE: Member Scott?

7 MR. SCOTT: Aye.

8 MR. BACARISSE: And I, Charles Bacarisse, vote
9 aye as well, and it's unanimous, and 9.B. has passed.

10 Thank you, Mr. Archer.

11 MR. ARCHER: Thank you.

12 MR. BACARISSE: You bet. Right now I would
13 like to take about a five- to seven-minute break in the
14 meeting, and we'll return at 10:45. Thank you.

15 (Whereupon, at 10:38, there was a short
16 recess.)

17 MR. BACARISSE: It's now 10:51, and I'm calling
18 us back into session. We need to take up Item No. 10, so
19 let's move to that.

20 Before we begin the discussion of these Board
21 governance documents, I'd like to provide some background
22 for the Board members.

23 Our prior chairman, Memo Treviño, encouraged us
24 to start a regular cadence of updating the Board
25 governance documents to ensure effective and efficient

1 Board processes were in place.

2 Today we will begin this process as we are
3 given an overview of these three governance documents from
4 our Executive Director and our General Counsel. Although
5 no changes to these documents will be presented to the
6 Board today, I do want to assure our members that an
7 additional opportunity to participate in the red-lining of
8 these documents, the deliberation, and ultimately, a final
9 vote will be afforded to the Board.

10 I would like to appoint a subcommittee of the
11 Board to do a more in-depth review and revision, as
12 needed, of these documents and then to bring that back to
13 the full Board at a future Board meeting for deliberation
14 and vote.

15 Today's briefing on these items will be to
16 provide a general overview of those guiding principles and
17 enabling statutes that give us, this Board, the authority
18 to take action on items presented at these meetings.

19 With that background, I'll now turn it over to
20 Whitney Brewster, our Executive Director.

21 And members, I just want you to be thinking
22 about whether or not you'd like to serve on that
23 subcommittee. I'll be talking with you later about it.
24 Thank you.

25 Ms. Brewster?

1 MS. BREWSTER: Thank you, Mr. Chairman,
2 members. Whitney Brewster, Executive Director.

3 The goal of today's review of the Board
4 governance documents under Agenda Items 10 through 12 --
5 and they start on page 82 of your Board books -- is to
6 have the Board review the policies to ensure that they are
7 fresh and up to date, with a general overview of where we
8 are today, and to then adopt these policies with whatever
9 amendments are needed at a future Board meeting.

10 The goal of the Board governance documents is
11 really to clearly define and delineate the policymaking
12 functions of the Board for my day-to-day administration of
13 the agency. These policies further clarify the division
14 of responsibilities between the Department's Board and
15 myself as the Executive Director.

16 The Board is responsible for overseeing and
17 coordinating the development of the Department, ensuring
18 that all components of the motor vehicle industry function
19 as a system. These overarching functions of the Board
20 were defined by the Legislature under our enabling
21 statutes in Transportation Code Chapter 1001.

22 The goal of the Board governance policies are
23 also to outline the duty of the Board to balance its role
24 as the administrator, regulator, and arbitrator of
25 competing interests in the motor vehicle industry,

1 particularly since the majority of the Board members
2 represent different facets of the industry.

3 Even though our statute requires many of the
4 Board members to be selected from certain industries or
5 occupations, all Board members must represent the state as
6 a whole.

7 Our Board structure is intended to provide the
8 expertise for effective decision-making, rather than
9 providing representation of a regulated industry.
10 Essentially the Board prioritizes the needs of the state
11 as a whole versus their industry interests, looking at it
12 as an overall statewide policymaking Board.

13 Additionally, by clearly delineating the Board
14 governance and the role of the Executive Director allows
15 me to devote my time to legislative and governmental
16 affairs, as well as other key strategic priorities of the
17 Department.

18 My focus is on important priority issues before
19 the agency, developing strong leaders, succession
20 planning, ensuring services are provided with a customer
21 focus, and maintaining a healthy culture.

22 Clarifying the focus of the ED and the Board
23 may improve the overall Board's understanding of
24 operations, issues, opportunities and constraints in
25 developing policy.

1 Further, the Board governance documents help
2 ensure the Board effectively utilizes stakeholder and
3 public input on policymaking items within the Board's
4 jurisdiction for transparency and inclusivity in the
5 policymaking functions of the Board.

6 Regulating competing industries within one
7 agency can result in the appearance of the agency or Board
8 favoring one industry at the expense of another, or
9 favoring one group's interests over consumers. This is in
10 part why the Board typically uses formal advisory
11 committees to seek needed expertise and perspectives from
12 stakeholders and other interested parties.

13 These formal advisory committees are free to
14 meet without Board member involvement, which maintains the
15 independent external expertise and recommendations these
16 groups are intended to provide to the full Board, so that
17 there is no influence or inhibition of the group's
18 discussions or recommendations.

19 This is why the Board had adopted rules
20 regarding the use of our advisory committees, appoints the
21 members of the advisory committees, and may recommend
22 items for the advisory committees' consideration to ensure
23 full vetting of policy issues as appropriate for Board
24 consideration.

25 Major Board responsibilities include the

1 following: carrying out its policymaking functions in a
2 manner that protects the interests of the public and
3 industry and maintains a safe and sound motor vehicle
4 industry and increases the economic prosperity of the
5 state; developing and implementing policies that clearly
6 define the responsibilities of the Department's Executive
7 Director and staff; holding regular Board meetings, at
8 least quarterly; adopting administrative rules that are
9 necessary and appropriate to implement the powers and
10 duties of the Department; issuing final orders in certain
11 contested cases regarding the motor vehicle industry; and
12 the Board has the special authority to report to the
13 Legislature on potential statutory changes that would
14 improve the operation of the Department.

15 The Board adopted the following policies
16 regarding the administration of its responsibilities that
17 we will discuss today, the TxDMV Board Governance Policy,
18 which was developed by the Board and adopted in October
19 2011.

20 The Governance Policy talks about the Board's
21 governing style, its primary functions and
22 characteristics, as well as how it intends to ensure
23 decorum and assess performance. The second document,
24 "Agency Operational Boundaries as Defined by
25 Department Policies of the Board," that addresses the

1 boundaries regarding the Board's responsibility for the
2 policy direction of the Department and the Executive
3 Director's responsibility for the day-to-day operations of
4 the Department; and third, the contested case policy
5 regarding the Board's handling of contested cases within
6 the Board's jurisdiction.

7 And with that, Mr. Chairman, I'd like to turn
8 the time over to Ms. Beaver.

9 MR. BACARISSE: Great. Ms. Beaver, please.

10 MS. BEAVER: Thank you, Executive Director
11 Brewster, Chairman and members of the Board. Tracey
12 Beaver, General Counsel.

13 As Executive Director Brewster mentioned, these
14 policies are the governance policies that the Board has
15 previously adopted, and so for today I wanted to go
16 through each of these policies as an overview and provide
17 some thoughts on possible amendments that the Board might
18 consider in the future.

19 No decision-making is being asked for today.
20 This is a briefing only, not as an action item.

21 And just as a way of background, the Department
22 was created by the Legislature in 2009, and that's the
23 same time that the Board was created, both of which only
24 have those powers and authority that were given to us by
25 the Legislature.

1 And so in looking at those powers and duties
2 that were given to us as the Department and the Board by
3 the Legislature, those are in Transportation Code Chapters
4 1001 through 1005.

5 I wanted to go over some of the more specific
6 responsibilities of each individual Board member, as
7 Executive Director Brewster went over the duties of as a
8 whole.

9 Some of those duties of the individual Board
10 members including serving on any subcommittees as the
11 Chairman may appoint; of course, maintaining
12 qualifications to serve on the Board; attending regular
13 Board meetings; and then also complying with and knowing
14 the following laws that are applicable to your role as
15 Board member.

16 Those are laws regarding ethics, which includes
17 conflicts of interests and open meetings laws, which of
18 course govern these full Board meetings, subcommittee, and
19 also any other committee meetings that the Board might
20 have.

21 Public Information Act, which discusses
22 confidentiality of information and the release of
23 information, which also applies to the Board and those
24 types of documents that the Board might receive, whether
25 during a Board meeting or through communications with

1 Department staff.

2 Of course, records retention is a requirement
3 for us to be able to provide those records to requesters,
4 as appropriate, under the Public Information Act and
5 record retention laws. There are also requirements to
6 comply with laws, of course, for contested cases, for
7 those cases which come before the Board with jurisdiction
8 for final order decision-making.

9 Rulemaking under the Government Code. Again,
10 confidentiality. There's several other statutes other
11 than the Public Information Act which apply to records for
12 the Department, including motor vehicle records, under
13 Chapter 730 of the Transportation Code.

14 And then one of the newer requirements is the
15 antitrust regulation, which is going through the
16 Regulatory Compliance Division for rulemaking that applies
17 broader to other decisions that the Board may make.

18 And so in reviewing these governance documents
19 and understanding the laws in which the Board has to
20 operate under, that umbrella, I wanted to go through some
21 of these policies to see if there was additional
22 information that y'all might want to add, if there's
23 additional information that you would like to consider
24 amending in these policies, or if there's anything that no
25 longer applies to you as the Board of today.

1 The first governance policy we'll look at is on
2 page 83 of your Board books, and that's the Board
3 governance policy. The policy outlines the Board's
4 governing style, and so I wanted to point out that there
5 were several sections under the Board's governing style
6 that are illustrated in this section, in Section 3.1.

7 It talks about the Board following the general
8 principles of the vision for the agency, and as you'll
9 read along, you'll notice that there's also the diversity
10 in points of view, and the strategic leadership, providing
11 day-to-day details, is necessary to achieve the agency
12 vision.

13 And so with some of these overarching
14 principles from this governing policy, I wanted to
15 mention, from what Executive Director Brewster had
16 outlined earlier, of the difference in the day-to-day
17 management of the agency for the Executive Director versus
18 the policymaking function of the Board.

19 And I think part of this governance document
20 that could be beneficial to look at is that communication
21 style. What is the cadence of communication that the
22 Board would like from the Department? What type of
23 information would the Board like from the Department? And
24 how can the Board ensure that they are getting the type of
25 information to assist the Department in the best way

1 possible in making those policy decisions?

2 At this time, the governance policy does not
3 have a great deal of information or detail on
4 communication. So I wanted to point that out as one of
5 the first options for y'all to consider for future
6 amendments.

7 And I'll pause before moving on.

8 MR. BACARISSE: Members, any questions of what
9 you've heard so far?

10 MR. PREWITT: I know the agency is --

11 MR. BACARISSE: Mr. Prewitt?

12 MR. PREWITT: -- yes. Thank you, Mr. Chairman.

13 The agency has developed several KPIs to be measured by.

14 And should we -- your thoughts -- I'm curious about your
15 thoughts about should we include that in our overall
16 governing style, as far as just requesting and reviewing
17 the KPI progress in the different areas that the agency
18 tracks their performance by?

19 Do you think that would be something you'd want
20 to do or would be good to do?

21 MS. BEAVER: Tracey Beaver, General Counsel,
22 for the record. There is a KPI document as well in which
23 the Board does review and evaluate the KPIs that are given
24 from the Department on those measures, and I think that is
25 an important aspect of the Board's governance, and that

1 would be a great item to consider also adding into the
2 governance document to tie all those items together.

3 But that would be up to the Board's
4 deliberation as to how you wanted to tie those pieces
5 together.

6 MR. PREWITT: Thank you.

7 MS. GILLMAN: Mr. Chairman --

8 MR. BACARISSE: Yes, Member Gillman?

9 MS. GILLMAN: -- I concur.

10 MR. BACARISSE: Yeah.

11 MS. GILLMAN: I think communication and I guess
12 a reporting aspect more in line with -- and I just liked
13 so much what you said earlier about less about the process
14 and more about the results, a summary of results.

15 When you said the word, KPI I think a
16 description -- Tracey, if you could help us in
17 describing -- we hear from all of the divisions in a very
18 professional way, and very respectful of their work that
19 they do.

20 But I would love to see exactly what Brett said
21 earlier, when he was describing the Finance and Audit
22 is less about the process and more about the summary of
23 results.

24 And I love -- you even said red, yellow, green.
25 I mean, yeah. And so if you could help us draft some

1 language regarding communication and outlining more
2 transparency to the Board with regard to the results for
3 every division?

4 MR. BACARISSE: Okay. Ms. Brewster?

5 MS. BREWSTER: Chairman?

6 MR. BACARISSE: Yeah.

7 MS. BREWSTER: Thank you. We would be happy to
8 develop some language that includes that. I do want to
9 just make sure that the Board is aware that all of our key
10 performance indicators are listed on the SharePoint site,
11 so you can look at those at any time.

12 MR. BACARISSE: And they're updated. Right?

13 MS. BREWSTER: Yes, sir. So we can certainly
14 make sure that it is built into the document as well.

15 MR. BACARISSE: Okay. Great.

16 MR. SCOTT: Mr. Chairman?

17 MR. BACARISSE: Yes, Member Scott?

18 MR. SCOTT: This is to Executive Director
19 Whitney and Tracey. Back it up just a second. You
20 were -- my sense is that one of things you want to develop
21 out of this was greater clarity as to how you communicate
22 with the Board or the Board communicates with you or sets
23 the expectations.

24 I was a little confused about that.

25 MS. BREWSTER: Sure. Whitney Brewster,

1 Executive Director. It is to update and bring these
2 governance documents forward for discussion, really. And
3 do they need to be updated to reflected what the current
4 Board would like to see?

5 And so it's just an opportunity for us to bring
6 those forward, to talk about do these still make sense?
7 Do things need to change and be modified so that we can
8 clearly understand what each of us are going to do?

9 MR. SCOTT: Okay.

10 MR. BACARISSE: Because it's been 10 years
11 since they were first approved, so it's time to just
12 review and see -- some may -- some changes may need to be
13 made, some not, but --

14 MS. BREWSTER: Correct. Yes.

15 MR. BACARISSE: -- it's a process of review and
16 amendment.

17 So members, anything else on that point?

18 (No response.)

19 MR. BACARISSE: So continue, please, Ms.
20 Brewster or Ms. Beaver.

21 MS. BEAVER: Thank you, Chairman.

22 MR. BACARISSE: Yeah.

23 MS. BEAVER: Tracey Beaver, General Counsel.
24 The other portion on the communication is that there are
25 resources at the Department for the Board as well, in

1 speaking with one voice; the Chairman's responsibility for
2 overseeing any communication that might come from the
3 Board; making sure that the Board is not speaking outside
4 of an open meeting, of course, on items that might be
5 policymaking; and ensuring that that communication is
6 clear in the governing documents so that there are clear
7 avenues for Board members to seek Department assistance as
8 necessary or desired and also during some of the pendency
9 of legislation before the Legislature during session.

10 Some of those different communication channels
11 and resources that the Department has to offer to the
12 Board might be another item to consider in the governance
13 documents, as well as what type of cadence of these
14 communications would you like?

15 Is this something that you would like reports
16 or summaries on a certain time frame, certain format.
17 Color coding makes me happy, but I'm going to just say
18 that the Board has definite preference on summary
19 documents, it sounds like.

20 And so those are some items that the
21 subcommittee chairman would be able to consider, and we'd
22 be happy to provide some ideas of draft language to get
23 the committee started on discussing those desires for the
24 governance documents.

25 MR. BACARISSE: Good.

1 MS. BEAVER: The other portion on the
2 communication is what can the Board expect to see, when?
3 What type of information do you need in order to make
4 decisions on certain types of documents? And what is the,
5 again, cadence of when these policy decisions are made?

6 We do have certain time frames for Internal
7 Audit reports, financial reports. And so giving a broader
8 overview of when those are coming before the Board and
9 when you would like to see that type of information before
10 having the Board consider those for action items in a full
11 Board meeting is another item to consider for the
12 governance documents that is not currently in there.

13 MR. BACARISSE: Okay.

14 MS. BEAVER: And then moving on, if you'll look
15 at 3.2.1.2 in the governance document, and that does talk
16 a little bit about the transparency and stakeholder input.

17 There have been the advisory committee rules,
18 as Executive Director Brewster mentioned earlier, that
19 were adopted by the Board that have since been appointed
20 members by the Board, since this item was -- this
21 governance policy was adopted.

22 So there are some additional amendments that
23 could be utilized in showing the transparency and
24 inclusivity of stakeholder input as a whole for the Board,
25 and not using independent stakeholder meetings to get all

1 of the information from interested parties for
2 policymaking but ensuring that there's the broader
3 perspective, as appropriate or necessary, from advisory
4 committees that are formal and appointed by the Board.

5 And so moving on, I wanted to also mention that
6 there are some processes in this particular governance
7 document that looks to be somewhat similar for the second
8 governance document, on page 88 of your Board books. So
9 there might also be some opportunity for combining these
10 two governance documents into one, if there is any
11 duplication or need for clarity between the two documents.

12 MR. BACARISSE: Okay. Is that -- are we moving
13 towards No. 11, Agenda Item 11 now?

14 MS. BEAVER: Yes. So for Agenda Item No. 11,
15 that is the policy on page 88 of the Board books. And
16 this does go into the delineation of the role of the
17 Executive Director and the Board as a whole.

18 There is a bit of overlap between the
19 governance policy on page 83, and this might be another
20 item that would be beneficial to look at, as Executive
21 Director Brewster had mentioned earlier, and having the
22 clarity of differentiating between Executive Director and
23 Board roles.

24 In addition, the policies could also be amended
25 to add more information about decorum of meetings,

1 expectations of meetings, expectations of Board members in
2 preparing for those meetings.

3 As it stands now, those governance documents do
4 not have very much information on what type of decorum and
5 practice that the Board currently has for governance
6 styles.

7 Are there questions on that? I'll pause. I
8 see some inquisitive looks.

9 MR. BACARISSE: Member Graham?

10 MR. GRAHAM: I mean, I don't know that this
11 document is necessarily supposed to be a blueprint of how
12 we operate. Right?

13 MR. BACARISSE: No. Just --

14 MR. GRAHAM: And so --

15 MR. BACARISSE: -- guideposts.

16 MR. GRAHAM: Yeah. And so I just -- my
17 thoughts are, you know, it just gives us a framework by
18 which to operate. And I do agree there are a number of
19 things that we probably need to look at. But I just --
20 I'm just not into fixing things that aren't broke, either.

21 MR. BACARISSE: Yeah. Sure.

22 MR. GRAHAM: You know, I think when you get on
23 this -- you know, just as I'm thinking about the Board
24 meetings, I mean, you kind of know what you're getting
25 into. If you don't, you figure it out pretty quick. I

1 don't think we need to be, you know -- anyway --

2 MR. BACARISSE: Right.

3 MR. GRAHAM: -- I just -- I wanted to vocalize
4 that. I --

5 MR. BACARISSE: No. You're right. You're
6 right. As we -- as the subcommittee begins their work,
7 they may decide that there's not a whole lot that needs to
8 be changed or amended, but there are maybe other issues
9 that they do want to refresh.

10 MR. GRAHAM: Refresh.

11 MR. BACARISSE: Yeah. Right. And keep in
12 mind, members, we're going to do something, I think, that
13 would serve us well over the next five to seven years.
14 You know, you're kind of -- you're not getting too
15 prescriptive, but yet when you put down guideposts and
16 principles for operations, it can be -- they can have some
17 life to them --

18 MR. GRAHAM: Sure.

19 MR. BACARISSE: -- so that you won't have to be
20 going through this exercise every year or two.

21 MR. GRAHAM: When was this last revised?

22 MR. BACARISSE: 2011. 2011?

23 MS. BEAVER: That's correct.

24 MR. GRAHAM: Okay.

25 MR. BACARISSE: Yeah. So it's been around for

1 a while.

2 MR. GRAHAM: A couple of things changed.

3 MR. BACARISSE: Right. Time to kind of, you
4 know, knock off the dust and just see what we've got.
5 Right? Okay.

6 MS. BEAVER: Thank you, Chairman. Tracey
7 Beaver, General Counsel. And I think part of the
8 governance documents, the goal is also to ensure effective
9 debate, and as Executive Director Brewster mentioned
10 earlier, the difference in types of viewpoints that each
11 Board member brings is so important.

12 And encouraging that type of effective debate
13 and deliberations within the open meetings is another item
14 that could be highlighted in these documents. It is
15 discussed maybe not that clearly, so that would be part of
16 the decorum portion of amending these.

17 To your point, Member Graham, not necessarily
18 pointing in detail how you're to operate, but some of the
19 overarching goals that the Board would like to ensure in
20 these meetings. And some of it might be in there, and
21 that might be sufficient. Just wanted to mention that
22 would be another point of discussion if that is sufficient
23 for the Board.

24 And I don't have any other updates on the first
25 two documents, but I would pause before going onto the

1 contested case policy, in case there's any questions or
2 additional comments?

3 MR. BACARISSE: I think you're good to go.

4 MS. BEAVER: So moving on to the contested case
5 policy, this is a policy that was developed prior to the
6 adoption of the contested case rules by the Board. So in
7 looking at this policy, there might be opportunity for
8 amendments to have this be in line with the new rules that
9 were promulgated by the Board.

10 Specifically, some of the sections discuss the
11 review of information from the Department, instead of,
12 more broadly, the review by the Board of the
13 administrative record from contested cases.

14 Changing some of that language would make it
15 more consistent and in line with the rules as adopted, not
16 that it was incorrect previously, but to make them more
17 consistent would be one option for the Board to consider.

18 Also, looking at Section F, the portion about
19 the Chairman allowing parties to present information, that
20 might be reviewed to see if that is in line or consistent
21 with the newly adopted rules and ensure that, if folks --
22 if parties do not appear before the Board to present their
23 case, that they're still going to be subject to these
24 policies that the Board is overseeing; there's not an
25 additional requirement by policy that folks actually

1 appear in person or present at a Board meeting in order
2 for the Board to follow these governance documents for
3 contested cases.

4 And so those are a few of the items that I
5 would note in the contested case policy, and whether the
6 Board had other additional revisions to make in line with
7 those statutory requirements, and of course, the newly
8 adopted rules.

9 MR. BACARISSE: Okay.

10 MS. BEAVER: And that's all I had for the
11 policy documents.

12 MR. BACARISSE: Thank you, Ms. Beaver.
13 Members, any questions on that last item, 12?

14 (No response.)

15 MR. BACARISSE: Knowing, of course, that I
16 think the subcommittee will have a vigorous and complete
17 review of all three of these issues. So thank you. Are
18 we good? Yeah.

19 I'd like to now move on to Agenda Item 13,
20 which is the Vice-Chair election.

21 Let me mention that under the Transportation
22 Code Section 1001.023, the Board shall elect from one of
23 its members a Vice-Chair of the Board. The Vice-Chair may
24 preside over Board meetings in the absence of the Chair,
25 and he serves at the pleasure of the -- he or she serves

1 at the pleasure of the Board.

2 If any members would like to nominate
3 themselves or another Board member as Vice-Chair, I will
4 give everyone an opportunity to raise your hand, be
5 recognized by me, and say a few words about the nomination
6 of yourself or another.

7 After we hear nominations, I will then ask for
8 a motion first. So we're going to ahead. I just want to
9 clarify this with Ms. Beaver, so we do this properly by
10 Robert's Rules.

11 I will open the floor. Anyone may raise their
12 hand and nominate either themselves or someone else, and
13 there may be more than one nomination. And then after the
14 nominations close, I would entertain a motion from one of
15 the Board members on any of those who were nominated. Is
16 that correct?

17 MS. BEAVER: Tracey Beaver, General Counsel.
18 Yes, that's correct.

19 After the nomination of a member for themselves
20 or another member, then opening it up to letting those who
21 were nominated discuss why they're interested or possibly
22 not interested would be beneficial as well before asking
23 for the motion.

24 MR. BACARISSE: Right.

25 MS. BEAVER: Thank you.

1 MR. BACARISSE: Okay. Great.

2 So Member Prewitt?

3 MR. PREWITT: Yes, Mr. Chairman Bacarisse, I
4 would like to respectfully nominate Tammy McRae as Vice-
5 Chair for Texas Department of Motor Vehicles.

6 MR. BACARISSE: And is there a second for that
7 nomination?

8 MS. OMUMU: I'll second.

9 MR. BACARISSE: Okay. Ms. McRae, would you
10 like to speak on that -- would you like to serve or would
11 you like to say a few words before we move forward
12 anywhere else?

13 MS. McRAE: Are there more nominations?

14 MR. BACARISSE: There -- oh, I'm sorry. Yes.
15 Thank you. Keep me posted here. Are there other
16 nominations at this time?

17 (No response.)

18 MR. BACARISSE: Hearing none. Ms. McRae, I
19 would like to invite you to have the floor for a few
20 moments if you want to accept this nomination, and
21 anything else you'd like to say.

22 MS. MOORE: Well, thank you, Member Prewitt,
23 for the nomination. It is an honor to be nominated. I'm
24 a little nervous; I want to make sure that I can fulfill
25 the obligations, and I'm not sure what's entailed, outside

1 of what we normally do in preparation of our Board
2 meetings. I'm assuming there would be a little more
3 involvement.

4 MR. BACARISSE: Keeping me out of trouble is
5 part of it, so --

6 MS. McRAE: I don't know if I can handle that
7 part, but --

8 MR. BACARISSE: That's not a problem.

9 MS. McRAE: -- it would be a honor to serve as
10 the Vice-Chair if there's no one else that wanted to
11 serve.

12 MR. BACARISSE: Is there any further discussion
13 or further nominations?

14 Mr. Graham?

15 MR. GRAHAM: Just as a -- maybe a refresher,
16 while -- I support Tammy's nomination, just to throw that
17 out there.

18 While it's not in the statute that any one of
19 us cannot serve as Vice-Chair or Chair whose the wishes
20 of -- it's my understanding that it's the wishes of the
21 Governor that the Chair not be someone within the
22 industry -- not chair over an agency that has authority
23 over their industry.

24 And so with that in mind, and of course,
25 adhering to that -- those wishes, that I believe it's very

1 important that the Vice-Chair be someone that's capable
2 and ready, you know, in the event that they've got to take
3 over for a meeting or they -- you know, something happens
4 and you need a new chair, that we have someone ready to go
5 in the wings, which basically, there's only four people on
6 this Board that's eligible to be chair, which is --

7 MR. BACARISSE: By statute.

8 MR. GRAHAM: -- law enforcement --

9 MR. BACARISSE: Yeah.

10 MR. GRAHAM: -- tax assessor, and two public
11 members. So that pretty well skinnies the field down
12 pretty quick, so I know that puts a lot of pressure on
13 y'all, but for continuity's sake, I think that's pretty
14 important that whoever is in the wings is ready to go if
15 they're needed.

16 And I have no doubt that Tammy would do a
17 fantastic job, if she's willing to consider that. So --

18 MR. BACARISSE: Members, any other comments?

19 MR. SCOTT: Does General Counsel have a
20 comment?

21 MR. BACARISSE: Mr. Scott?

22 MR. SCOTT: Yes?

23 MS. BEAVER: Mr. Chairman?

24 MR. BACARISSE: Oh, I'm sorry. Yes, Ms.
25 Beaver? Thanks. I didn't see you there.

1 MS. BEAVER: Thank you, Chair. Tracey Beaver,
2 General Counsel. I just wanted to mention that this
3 statute doesn't prohibit any particular member from
4 serving as Vice-Chair. However, I do understand that at
5 this time that the Chair is a public member.

6 So I wanted to just make that clarifying point,
7 that there is no prohibition if someone else did want to
8 be nominated or nominate themselves. Thank you.

9 MR. BACARISSE: Good point. Thank you.

10 Anything else, members?

11 (No response.)

12 MR. BACARISSE: Hearing no further discussion,
13 I will call the vote on the nomination of Tammy McRae to
14 be the Vice-Chair of the DMV Board.

15 Member Alvarado?

16 MR. ALVARADO: Aye.

17 MR. BACARISSE: Member Gillman?

18 MS. GILLMAN: Aye.

19 MR. BACARISSE: Member Graham?

20 MR. GRAHAM: Aye.

21 MR. BACARISSE: Member McRae, are you going to
22 vote for yourself? Okay. Abstain.

23 MR. BACARISSE: Member Omumu?

24 MS. OMUMU: Aye.

25 MR. BACARISSE: Member Prewitt?

1 MR. PREWITT: Aye.

2 MR. BACARISSE: Member Ramirez?

3 MR. RAMIREZ: Enthusiastic aye.

4 MR. BACARISSE: Okay. I'm putting two checks
5 down. Member Scott?

6 MR. SCOTT: Aye.

7 MR. BACARISSE: And I, Chairman Bacarisse, vote
8 aye as well. It's unanimous. One abstention, the
9 candidate themselves. Let the reflect that it is
10 unanimous, and Ms. McRae, welcome as our Vice-Chair.

11 (Applause.)

12 MR. BACARISSE: I would now like to ask if we
13 may take Item 17, public comment, out of order if there
14 are any individuals who have signed up to address the
15 Board today. Is that -- now would be an appropriate time
16 before we go into closed session, just to respect the
17 public member -- the public people.

18 MS. BEAVER: Tracey Beaver, General Counsel.
19 There are no registrants for any public comment for the
20 general public comment portion or any other agenda item,
21 and that would be fine, to take that out of order and then
22 take up Agenda Item No. 14 regarding excused absences
23 prior to the closed session.

24 MR. BACARISSE: Right. We don't want to skip
25 that. Let me go to Agenda Item 14, if you would bear with

1 me here.

2 This addresses excused absences for Board
3 Member Prewitt under Transportation Code 1001.027(a)(4).
4 The Board, by a majority vote, is able to excuse absences
5 of Board members from regularly scheduled Board meetings.

6 This agenda item is really asking that the
7 Board vote on whether we excuse the absences of Member
8 Prewitt from April 1, August 5, and October 29, 2021 Board
9 meetings. I would entertain a motion for Agenda Item 14.

10 MS. GILLMAN: Second.

11 MR. BACARISSE: There is a -- would you like to
12 make a motion, Member Gillman?

13 MS. GILLMAN: Sure.

14 MR. BACARISSE: Okay, okay. No, no. I'll
15 entertain it, but do you want to make it?

16 MS. GILLMAN: Yes.

17 MR. GRAHAM: No, I -- go right ahead.

18 MR. BACARISSE: Okay. All right. I'm sorry.
19 There is a motion.

20 Do you want to be the second, Member Graham?

21 MR. GRAHAM: We're all so enthusiastic.

22 MR. BACARISSE: We're all going to make the
23 motion. Right.

24 MR. GRAHAM: Yes. Second.

25 MR. BACARISSE: Okay. Great. There's a motion

1 and a second. I'll call the roll.

2 Member Alvarado?

3 MR. ALVARADO: Aye.

4 MR. BACARISSE: Member Gillman?

5 MS. GILLMAN: Aye.

6 MR. BACARISSE: Member Graham?

7 MR. GRAHAM: Aye.

8 MR. BACARISSE: 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: Good. I think you should.

15 Member Ramirez?

16 MR. RAMIREZ: Aye.

17 MR. BACARISSE: Member Scott?

18 MR. SCOTT: Aye.

19 MR. BACARISSE: And myself, I vote aye. It's

20 unanimous.

21 MR. GRAHAM: Mr. Chairman?

22 MR. BACARISSE: Yes?

23 MR. GRAHAM: Just a question.

24 MR. BACARISSE: Mr. Graham?

25 MR. GRAHAM: Does that -- does a date range

1 need to be specified in that motion? Is that necessary?

2 MR. BACARISSE: We actually -- I actually
3 specified the meetings themselves --

4 MR. GRAHAM: Okay.

5 MR. BACARISSE: -- and so that is -- that
6 covers him for that, and I can just say again how excited
7 and thankful we are that you are back, John.

8 MR. PREWITT: Thank you.

9 MR. BACARISSE: Absolutely. Yeah.

10 MR. PREWITT: Good to be back.

11 MR. BACARISSE: Amen. Now, if there are any
12 public comments? And I have been informed by you that
13 there are none.

14 We will now move to closed session, and I need
15 to just mention that we will take up Agenda Item No. 15.
16 We're going to go into closed session. It is now 11:27
17 a.m., and we are going to -- on October 29, 2021 [sic].

18 We'll go into closed session under Texas
19 Government Code Sections 551.071, 551.074, 551.076, and
20 551.089. For those of you in the audience, I anticipate
21 being in the executive session for approximately an hour.

22 We'll reconvene in open session after that.
23 With that, we are now recessed from the public meeting.
24 We're going into closed session.

25 (Whereupon, at 11:27 a.m., the board met in

1 executive session.)

2 MR. BACARISSE: Okay. We're going to come back
3 into session, into public session now. It's 1:17 p.m. on
4 December 2, 2021, and the Board is ending -- has ended the
5 closed session, and the meeting is now going back into
6 open session.

7 So we are now in open session, and no action
8 items will be taken up from a closed session, and we'll
9 now move on to Agenda Item 18, which is adjournment. Do I
10 hear a motion?

11 MR. RAMIREZ: Motion.

12 MR. BACARISSE: Second?

13 MS. GILLMAN: Second.

14 MR. BACARISSE: There is a motion and a second
15 to adjourn. All in favor, aye.

16 (A chorus of ayes.)

17 MR. BACARISSE: Opposed, nay?

18 (No response.)

19 MR. BACARISSE: It's unanimous. Thank you.
20 This meeting of the Texas DMV is adjourned.

21 (Whereupon, at 1:18 p.m., the meeting was
22 adjourned.)

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

C E R T I F I C A T E

MEETING OF: TxDMV Board
LOCATION: Austin, Texas
DATE: December 2, 2021

I do hereby certify that the foregoing pages, numbers 1 through 115, 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: December 17, 2021

/s/ Adrienne Evans-Stark
(Transcriber)

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