

May 10, 2018

Ken Levine, Director Texas Sunset Advisory Commission Robert E. Johnson Bldg., 6th Floor 1501 North Congress Avenue Austin, Texas 78701

Dear Commission Members:

On behalf of Auto Tag America, I am writing in response to the Sunset Advisory Commission's April 2018 Staff Report for the Texas Department of Motor Vehicles regarding registration and title services in the state of Texas – specifically Issue 2, "Texas Lacks Basic Safeguards to Identify and Address Vehicle Title Fraud," and staff's subsequent "Recommendations – Change in Statute – 2.1."

Auto Tag America (ATA) is a contracted full-service deputy in Bexar County. ATA's primary clients are large fleet companies, including rental car companies, who rely upon a full service, quick turnaround solution to expedite title and registrations on demand. We have been successfully operating as a full service private agency for over ten years and have maintained compliance with Texas' statutory and county requirements.

As indicated in the April 2018 Staff Report, state law "places most responsibility for processing vehicle registration and title transactions with county tax assessor-collectors." Therefore our concerns lie in Recommendations 2.1, as outlined on page 26. We believe any additional complexity and/or regulation imposed by the state could be disruptive and could hinder and delay the collection of taxes and fees across counties, which would in effect have a fiscal impact to the state of Texas.

We are not clear as to the need for counties to comply with a state mandate requiring all 254 individual counties to centralize their processes with a one-size-fits all bid model for title and registration services, particularly since what ATA is able to charge today is already mandated by the state. However, while we agree that large amounts of revenue are at stake in terms of state and county taxes and fees, we contend that each county is unique, just as each of our clients' fleet management needs are unique. Of course, this would also include ensuring compliance with Section 905 of the International Registration Plan (IRP) agreement that enhances interstate and international commerce.

Additionally, all ATA staff currently working with Bexar County are fully trained on all the rules, regulations, and systems to ensure adherence and compliance with statutory requirements. It is our understanding that the Bexar County Tax Assessor's Office must also meet the statutory requirements of Texas Code and is responsible for assuring that all full-service deputies under contract meet the same code requirements. Based on that, we have difficulty in understanding the need or desire to add additional regulations and levels of complexity to process title and registration transactions in individual counties, which could disrupt the long standing, well regarded working relationships that have been established between contracted full-service deputies and the counties where they operate, all for the benefit of the state of Texas.

ATA appreciates the work of the Texas Sunset Advisory Commission and for allowing us the opportunity to respond. Thank you for your consideration of our concerns regarding the requirements of contracting full service deputies in Texas.

Sincerely,

Calvin D. Hill Director of Operations

Calvin a Hill

CC: Honorable Albert Uresti, Bexar County Tax Assessor Collector