



# TEXAS DEPARTMENT OF LICENSING AND REGULATION

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May 10, 2018

Mr. Ken Levine, Director  
Sunset Advisory Commission  
P.O. Box 13066  
Austin, TX 78711-3066

Dear Mr. ~~Levine,~~ <sup>Ken</sup>

I want to thank you for the opportunity to provide our feedback regarding the Sunset Advisory Commission Staff Report on the Texas Department of Public Safety (DPS). We appreciate and are humbled by the continuing confidence you and your staff have placed in us by recommending that:

- we partner with DPS to assist them in improving regulatory processes and rules; and
- two programs be transferred from DPS to our agency.

We have carefully reviewed the recommendations and evaluated them in conjunction with TDLR's current resources and responsibilities. Based on our evaluation, we have identified reasons why the recommendations can be fully implemented by TDLR as well as key challenges regarding the recommendations.

## **KEY POINTS SUPPORTING SUNSET STAFF RECOMMENDATIONS**

**Sunset Recommendation 4.2 to direct DPS to work with TDLR to develop regulatory processes and rules.**

**Alignment with TDLR's Vision and Core Values.** We stand ready to partner with DPS in implementing Sunset Recommendation 4.2 to develop regulatory processes and rules. TDLR anticipates no fiscal implication for this partnership.

At TDLR, our vision is to be the leader in public service by creating innovative, low-cost licensing and regulatory "next" practices. This partnership speaks to two of our core values – teamwork and innovation. At TDLR, we know we succeed together by combining our talents, passion, and ingenuity to serve the citizens of Texas. We also foster a culture of creativity to generate bold ideas, deliver valuable change, and position our agency for the future. In addition to assisting DPS, we know that this partnership is a two-way street, and that we will learn valuable lessons and take away ideas for improvements. We fully expect to bring the knowledge gained through this partnership back to our agency to better serve our licensees and Texas consumers. Because the Legislature has transferred 23 programs with more than 417,000 licensees to TDLR since 2001, TDLR has significant experience in streamlining and simplifying regulatory functions, cooperative interagency discussions, and seeking stakeholder input from regulated industries.

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*Mike Arismendez, Chair – Shallowater, Texas*

*Tom Butler, Vice-Chair – Deer Park, Texas*  
*Gerald R. Callas, M.D. F.A.S.A. – Beaumont, Texas*  
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*Rick Figueroa – Brenham, Texas*  
*Gary F. Wesson, D.D.S., M.S. – Bastrop, Texas*  
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**Sunset Recommendation 6.1 to transfer the motorcycle and ATV safety training programs to TDLR and Sunset Recommendation 6.2 to develop a transition plan with DPS for the transfer.**

The Sunset Staff recommendation eliminates functions and activities that do not conform to TDLR's regulatory model and are inconsistent with TDLR's administration of current programs, including loaning licensees motorcycles, training the trainer, mobile training, and provision of instructional materials.

**Alignment with TDLR's Mission.** Our expertise is in managing and improving a wide range of programs and making them work due to our functionally-aligned business model. The Sunset staff recommendations proposing to transfer two DPS programs to TDLR fit our mission to honor the trust of all Texans, safeguard the public, and provide a fair and efficient licensing and regulatory environment at the lowest possible cost. In addition, the recommendations are consistent with our growing responsibility for managing a portfolio of driver education and safety programs previously administered by DPS and the Texas Education Agency/Education Service Center Region 13. Program participants will find that TDLR is small enough to pay close attention to their needs, yet large enough to offer the experience, expertise, and services to make the programs more efficient and effective.

**TDLR's Experience with Other Program Transfers.** TDLR has achieved excellent results from consolidating a range of license-based programs into TDLR's existing business model. As discussed in the Sunset Staff report, the Legislature has transferred 23 programs with more than 417,000 licensees to TDLR since 2001. This volume of change informs TDLR's philosophy of constantly evaluating and refining our business model to ensure the proper allocation of our resources and continued implementation of our mission and vision. TDLR uses a straightforward approach to identifying broken or inefficient practices and rules, engaging stakeholders, and ultimately developing clear processes that are effective to administer, ensure fairness for licensees, and achieve the goals of regulatory programs. The following transfers have resulted in streamlined processes, lower fees, greater enforcement and greater public protection:

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|---|--|
| 2001 Weather Modification               | 2016 Dyslexia Therapists and Practitioners         |
| 2004 For-Profit Legal Service Contracts | 2016 Hearing Instrument Fitters and Dispensers     |
| 2005 Barbering                          | 2016 Midwives                                      |
| 2005 Cosmetology                        | 2016 Orthotists and Prosthetists                   |
| 2007 Towing                             | 2016 Speech-Language Pathologists and Audiologists |
| 2009 Used Automotive Parts Recycling    | 2017 Code Enforcement Officers                     |
| 2009 Polygraph Examiners                | 2017 Laser Hair Removal                            |
| 2009 Property Tax Professionals         | 2017 Massage Therapists                            |
| 2015 Driver Education and Safety        | 2017 Mold Assessors and Remediators                |
| 2015 Parent-taught Driver Education     | 2017 Offender Education Providers                  |
| 2016 Athletic Trainers                  | 2017 Sanitarians                                   |
| 2016 Dietitians                         | 2017 Podiatrists                                   |

## KEY CHALLENGES FACING TDLR WITH RECOMMENDATIONS 6.1 AND 6.2

**What TDLR Will Need to Succeed.** Recent transfers have challenged TDLR's staff and operational resources, and have significantly reduced our ability to absorb additional responsibilities without commensurate resources. To implement these changes, TDLR will need:

- ***Adequate staffing and resources to respond to customer contacts.*** When the Legislature transferred the Parent-taught Driver Education Program from DPS to TDLR, we experienced a significant increase in customer contacts (calls, emails, social media) for the program. Similarly, recent transfers of health programs from the Department of State Health Services led to increased customer contacts as applicants and existing licensees familiarized themselves with TDLR's licensing processes and organizational structure.
- ***Adequate inspectors to conduct audits.*** DPS' four contracted auditors completed 34 sponsor audits in Fiscal Year 2017. TDLR's regulatory model would focus on ensuring that Texas' 275 training sites comply with program standards, and that instructors providing courses are qualified.
- ***Support, involvement, and cooperation*** from motorcycle training sponsors, affected professionals, the Motorcycle Safety Foundation, the All-Terrain Vehicle Safety Institute, and other interested parties to develop, plan, and implement the ongoing programs' operation.
- ***The talent and experience of key DPS employees*** currently supporting and serving these programs joining TDLR's team.
- ***Coordination*** with the Texas Legislature, the Governor's office, and the Legislative Budget Board to ensure necessary resources and staffing, including timely appropriations for services such as accounting, purchasing, human resources, network and information technology services, general counsel, and customer service.
- ***Ongoing communication and collaboration with state colleagues*** at DPS, the Department of Information Resources, Texas.gov, the Texas Department of Transportation, the Office of the Comptroller, the Texas Facilities Commission, and the Office of Attorney General.
- ***Continued support from the Texas Legislature*** to streamline and standardize affected program statutes so they better fit TDLR's regulatory business model.

We look forward to working with your staff and the staff of DPS to ensure the success of these recommendations should they be approved by the Sunset Advisory Commission and enacted by the Legislature.

Yours in Service,



Brian Francis  
Executive Director