

SUBJECT: Continuing the Department of Public Safety; transferring certain programs

COMMITTEE: Homeland Security and Public Safety — committee substitute recommended

VOTE: 8 ayes — Nevárez, Paul, Calanni, Clardy, Goodwin, Israel, Lang, Tinderholt

0 nays

1 absent — Burns

SENATE VOTE: On final passage, April 16 — 31-0

WITNESSES: For — (*Registered, but did not testify*: Chris Jones, CLEAT; Richard Hardy, Motorcycle Safety Foundation)

Against — Rick Briscoe, Open Carry Texas

On — Charles Kellis and Alex Smith, ASSIST; Julie Davis and Amy Trost, Sunset Advisory Commission; Michelle French, Tax Assessor Collectors Association of Texas; Kelly Ryan, Texas Burglar and Fire Alarm Association; Skylor Hearn and Steven C. McCraw, Texas Department of Public Safety; Steve Mach, Texas Public Safety Commission; (*Registered, but did not testify*: Brian Francis, Texas Department of Licensing and Regulation; Shelly Mellott, Texas Department of Motor Vehicles; Amanda Arriaga, Kevin Cooper, and Wayne Mueller, Texas Department of Public Safety)

BACKGROUND: The 44th Legislature in 1935 established the Department of Public Safety (DPS) by combining the Texas Rangers and the Texas Highway Patrol to enforce laws protecting public safety and to prevent and detect crime.

Functions. To fulfill its mission to protect and serve Texas, DPS performs certain key functions, including enforcing traffic safety and commercial vehicle laws, investigating and interrupting organized crime and terrorism,

investigating major violent crimes and public corruption, responding to emergencies and coordinating disaster recovery efforts, supporting law enforcement through crime lab and records services, and administering numerous regulatory programs.

Governing structure. The Public Safety Commission oversees the department's operations and policies, and two statutorily created advisory committees inform on metal recycling entities and vehicle inspection matters.

The commission is composed of five governor-appointed members who must have knowledge of and experience in the enforcement of laws and reflect the diverse geographic regions and population of the state. Members must maintain a security clearance issued by the U.S. government.

Funding. DPS received about \$1.4 billion in revenue in fiscal 2017, including \$1 billion in general revenue and more than \$254 million in federal funds. DPS also generated more than \$811 million in revenue in fiscal 2017 from various sales and fees, a portion of which was appropriated back to the department or deposited into the General Revenue or Texas Mobility funds. Of that revenue, driver's license fees accounted for about \$405 million, or about 50 percent of the department's generated revenue.

Staffing. In fiscal 2017, DPS employed more than 9,800 individuals, including almost 4,200 commissioned peace officers. DPS maintains almost 500 offices, with the majority of staff located outside of its headquarters in Austin in the state's seven regions.

DPS would be discontinued September 1, 2019, if not continued by the Legislature.

DIGEST: CSSB 616 would continue the Department of Public Safety (DPS) until September 1, 2031, provide for the conditional transfer of the driver's license program to the Texas Department of Motor Vehicles, require an

annual report on border crime, transfer the motorcycle and off-highway vehicle operator training programs to the Texas Department of Licensing and Regulation, and reclassify the Texas Private Security Board as an advisory committee.

The bill also would revise the regulation of certain other programs administered by DPS and would adopt certain across-the-board Sunset Advisory Commission recommendations relating to board member training requirements.

Transfer of driver's license program. CSSB 616 would require DPS to enter into a contract with an independent, third-party contractor designated by the comptroller to conduct a feasibility study that examined and made recommendations on the management and operating structure of the driver's license, commercial driver's license, and election identification certificate programs and on opportunities and challenges of transferring them from DPS to the Texas Department of Motor Vehicles (TxDMV).

By September 1, 2020, the contractor would have to report to the Legislature, governor, Sunset Advisory Commission, DPS, and TxDMV. If the report was not submitted by the required date, then the bill would transfer all functions and activities of the programs from DPS to TxDMV effective September 1, 2021.

All DPS rules, fees, policies, and decisions would be continued in effect until replaced by TxDMV. All money, contracts, property, and obligations related to the programs would be transferred, and DPS full-time equivalent employee positions that primarily relate to the licensing programs would become positions at TxDMV. A license, certificate, or other authorization issued by DPS would be continued in effect.

Transition plan. As soon as practicable after the effective date of the bill, DPS and TxDMV would have to establish a work group to plan the transfer of the licensing programs. The work group would have to adopt a transition plan to provide for the orderly transfer of the licensing programs, including ensuring that the transfer would be completed on or

before August 31, 2021. The work group would have to provide a quarterly report of its progress to the lieutenant governor, the House speaker, the governor, and the Sunset Advisory Commission.

To prepare for the transfer, DPS would have to provide TxDMV with access to any systems, information, property, records, or personnel necessary to administer the transferred programs.

TxDMV study. As soon as practicable after the bill's effective date, TxDMV would have to study the most effective use of available state and county resources to administer the transferred programs, prioritizing administrative efficiency and cost savings and accessibility of the programs, including in rural areas.

Provisions of CSSB 616 related to the transfer of licensing programs would take immediate effect or, if the bill did not receive the necessary vote, would take effect on September 1, 2019.

Expiration dates of driver's licenses. SB 616 would extend the expiration date of original and renewal driver's licenses and commercial driver's licenses (CDL) and increase associated fees.

Driver's license. The bill would extend the expiration date of an original or renewal driver's license from six to eight years. The fee for issuance or renewal would be increased from \$24 to \$32.

The fee for renewal of a Class M license or for renewal of a license that included authorization to operate a motorcycle would be increased from \$32 to \$43. If a class A, B, or C driver's license included an authorization to operate a motorcycle or moped, the fee for the driver's license would be increased by \$11 instead of \$8.

Commercial driver's license. The bill would extend the expiration date of an original CDL from five to eight years. An optional expiration date for a non-domiciled CDL would be extended from five to eight years.

The expiration date would be extended from five to eight years for a CDL issued to a person holding a Class A, B, C, or M license that expired within certain periods as provided in the bill. The renewal of a CDL that had been expired for less than one year would be extended from five to eight years after its expiration. For a CDL that had been expired for at least one year but no more than two years, the bill would extend the expiration from six to seven years after the applicant's last birthday.

The bill would set the expiration date of an original CDL with a hazardous materials endorsement at five years after the applicant's next birthday. The expiration date for a CDL with a hazardous materials endorsement issued to a person holding a Class A, B, C, or M license that expired within certain periods as provided in the bill would be set at five years.

The bill would set at five years after the CDL's expiration the renewal of a CDL with a hazardous materials endorsement that had been expired for less than one year. If the CDL with endorsement had been expired for at least one year but no more than two years, the renewal would be set at five years after the applicant's last birthday.

The fee for a CDL would be increased from \$60 to \$96. The fee for a CDL with a hazardous materials endorsement would be set at \$60, except as provided by the bill.

These provisions would apply only to a driver's license or CDL issued or renewed on or after June 1, 2020.

Motorcycle and off-highway vehicle operator training programs. On September 1, 2020, all functions and activities related to the motorcycle operator training and safety and the off-highway vehicle operator education and certification programs would be transferred from DPS to the Texas Department of Licensing and Regulation (TDLR). DPS would have to provide access to any systems or information necessary for TDLR to accept the transferred programs.

All DPS rules, fees, policies, decisions, and forms would be continued in

effect until replaced by the Texas Commission of Licensing and Regulation or TDLR. All money, contracts, property, and obligations related to the programs would be transferred, and DPS full-time equivalent employee positions that primarily related to the transferred programs would become positions at TDLR. A license or certificate issued by DPS would be continued in effect.

Unless otherwise noted, the bill's provisions related to these programs would take effect September 1, 2020.

Disposal of equipment. By August 31, 2020, DPS would have to dispose of motorcycles and other equipment related to the motorcycle operator training and safety program that it possessed or had leased to entities offering training.

By February 28, 2020, DPS would have to provide any entity to whom it leased a motorcycle a period to purchase or return it. After this period but by May 31, 2020, DPS would have to transfer motorcycles and other equipment to meet the needs of TDLR, the Texas A&M Transportation Institute, and the Texas A&M Engineering Extension Service.

By August 31, 2020, DPS would have to inform the Texas Facilities Commission that any remaining motorcycles and related equipment were surplus or salvage property. The remaining items would have to be sold in accordance with applicable state law.

With the exception of certain fees, all revenue from the disposition of motorcycles would be deposited in the Motorcycle Education Fund Account. By August 31, 2020, DPS and TDLR would have to enter into a memorandum of understanding regarding any property acquired by DPS to ensure the fund was appropriately compensated for those assets.

The bill's provisions related to the disposal of equipment would take immediate effect or, if the bill did not receive the necessary vote, take effect on the 91st day after the last day of the legislative session.

Motorcycle safety advisory board. The Texas Commission of Licensing and Regulation would have to establish and appoint a nine-member board to advise TDLR on matters related to the motorcycle operator training and safety program. The bill would provide for the board's administration and operation and would require the board to be composed of certain members serving staggered six-year terms, including representatives of licensed motorcycle schools, the motorcycle dealer retail industry, law enforcement, the Texas A&M Transportation Institute, the Texas A&M Engineering Extension Service, and the public holding a valid Class M driver's license.

Motorcycle school, instructor licenses. To be eligible for a motorcycle school license, an applicant would have to meet minimum standards established by the commission for health and safety, the school's facility, and consumer protection.

To be eligible for an instructor license, an applicant would have to meet certain requirements listed in the bill, including the completion of a commission-approved training program on motorcycle operator training and safety instruction administered by the Texas A&M Engineering Extension Service.

Minimum curriculum standards. The bill would require the Texas Commission of Licensing and Regulation to establish minimum curriculum standards for courses provided under the motorcycle training and safety program. TDLR would have to approve all courses that met the minimum standards.

The bill would remove a requirement that the motorcycle operator training and safety program contain information regarding operating a motorcycle while carrying a passenger and could include curricula developed by the Motorcycle Safety Foundation.

Training program. CSSB 616 would prohibit a person from offering or conducting training in motorcycle operation unless the person was licensed as a motorcycle school, offered and conducted training in

accordance with curriculum approved by TDLR, and employed or contracted with an instructor licensed to conduct the training.

TDLR could contract with qualified persons, including institutions of higher education, to offer and conduct motorcycle operator training and safety courses under the program or research motorcycle safety in Texas. TDLR would have to consult with the advisory board on any proposed contract.

TDLR would have to issue a certificate to a person who completed a department-approved motorcycle operator training and safety course on receipt of notice from the motorcycle school that conducted the course. The department also could develop a process that allowed a motorcycle school to issue a certificate of completion.

Fees. The commission could set fees in amounts reasonable and necessary to cover program administration costs, including fees for courses offered under the motorcycle operator training and safety program and the issuance and renewal of a motorcycle school or instructor license.

Research, advocacy, and education. The Texas A&M Transportation Institute, in consultation with TDLR, would be required to research motorcycle safety in the state and provide advocacy and public education on motorcycle safety issues.

Motorcycle safety grant program. Using money from the Motorcycle Education Fund Account, TDLR could establish and administer a grant program to improve motorcycle safety in Texas. An institution of higher education would be eligible to receive a grant and could use the money to administer the instructor training program or provide research, advocacy, and education on motorcycle issues in Texas.

TDLR also could award a person a grant to promote the motorcycle training and safety program, increase the number of individuals seeking motorcycle operator training or licensure as an instructor, or to support any other goal reasonably likely to improve motorcycle safety in the state.

Report on border crime. DPS would be required to submit to the Legislature by May 30 of each year a report on border crime that included statistics for each month of the preceding year and yearly totals of all border crime and other related criminal activity that occurred in each county included in a DPS region that was adjacent to the Texas-Mexico border. The report also would have to include statewide crime statistics for the reported crimes.

Regulation of private security. On September 1, 2019, the Texas Private Security Board would be abolished, all board functions and activities would be transferred to DPS, and the terms of board members would expire. The board would be reclassified as the Texas Private Security Advisory Committee, and as soon as practicable after the bill's effective date, the Public Safety Commission would have to appoint members to the seven-member committee. A board member whose term expired would be eligible for reappointment to the advisory committee.

The Public Safety Commission would designate one member to serve as a liaison to the committee. Law governing state agency advisory committees would not apply to the size, composition, or duration of the advisory committee or to the appointment of its presiding officer.

The advisory committee would have to meet at least quarterly and provide recommendations to DPS and the Public Safety Commission on technical matters relevant to the administration of laws governing private security and the regulation of related industries.

CSSB 616 would revise provisions relating to the general powers and duties of the regulatory authority under the Private Security Act and require the Public Safety Commission to guide DPS in the administration of the act.

Licenses. CSSB 616 would require a person to obtain the proper individual license and be employed by a company license holder to perform any activity regulated by the Private Security Act and would

repeal references to endorsements, letters of authority, branch office licenses, managers, registrants, and registrations.

An "individual license" would mean a license issued by DPS that entitled an individual to perform a service regulated by the act for a company license holder, including a personal protection officer license. "Company license" would mean a license issued by DPS that entitled a person to operate as a security services contractor or investigations company.

Under the bill, private security consultants and consulting companies, guard dog companies and trainers, and security salespersons no longer would be regulated by the Private Security Act. On September 1, 2019, any related license, endorsement, or other authorization would expire.

The bill would remove the Class P, Class X, and Class T classifications of licenses for investigation companies related to private businesses, government letter of authority licenses, and telematics licenses. The bill would remove a requirement that qualifying telematics companies pay an annual fee to be exempt from the Private Security Act.

The bill would revise the requirements for a security department of a private business or a political subdivision to employ a commissioned security officer. Instead of requiring a letter of authority, the bill would require the security department to provide notice to DPS of the intent to employ a commissioned security officer and other specified information. DPS would have to maintain a registry of security departments that provided the notice and other information.

An individual who owned at least a 51 percent interest in a company license holder would have to obtain the appropriate individual license.

A company license, individual license, security officer commission, personal protection officer license, or any other license issued under the Public Security Act would expire on a staggered renewal system as determined by the Public Security Commission, but not later than the second anniversary of the date on which the license was issued.

Disciplinary action. CSSB 616 would establish hearing and appeals procedures under the Public Security Act. A person regulated under the act against whom the Public Safety Commission took action would be entitled to a hearing before the State Office of Administrative Hearings (SOAH). Laws governing administrative procedure would apply to a proceeding to the extent consistent with the bill.

If a person requested a hearing, the hearing would have to be held by an administrative law judge employed by SOAH and whether the person engaged in the conduct that constituted the grounds for the action would have to be proven by a preponderance of the evidence. If the judge found in the affirmative on the issue, the commission's action would be sustained. If the judge did not find in the affirmative, the commission would have to reverse or withdraw its action and notify the person of the issuance of an order of reversal or withdrawal. The decision of the administrative law judge would be final when issued and signed.

A person against whom the action was sustained could appeal the decision by filing a petition in a district court in Travis County within 30 days after the decision was final. The judge's final decision would be immediately appealable without the requirement of a motion for a rehearing. A person who was aggrieved by a final decision of a judge would be entitled to judicial review under the substantial evidence rule.

The bill's provisions related to the Private Security Act would not affect the validity of a disciplinary action or other proceeding that was initiated before the bill's effective date and that was pending before a court or other governmental entity on that date.

Regulatory programs. CSSB 616 would establish DPS' powers and duties related to certain regulatory programs.

Criminal history record information. The bill would authorize DPS to obtain and use criminal history record information maintained by the FBI or DPS that related to a person who was an applicant for or held:

- a registration to be a director, manager, or employee of a dispensing organization under the Texas Compassionate-Use Act;
- an authorization to do business as a vendor of ignition interlock devices; and
- a certificate of registration to act as a metal recycling entity.

DPS could require any person for whom it was authorized to obtain and use criminal history record information to submit a complete, legible set of fingerprints for the purpose of obtaining criminal history record information.

Powers, duties related to certain regulatory programs. These provisions would apply to the programs and persons regulated under laws governing:

- the pass for expedited access to the Capitol;
- the Texas Compassionate-Use Act;
- the Private Security Act;
- certain metal recycling entities;
- the standards for vendors of ignition interlock devices; and
- the certification of vehicle inspection stations or inspectors.

DPS could conduct investigations to enforce a law or rule governing a program or person subject to these provisions. The bill would require the Public Safety Commission to make the final determination in an administrative action against a person for a violation of a law or rule, except for a violation of the Private Security Act. The commission could not delegate this duty. A person would be entitled to notice and a hearing if the commission proposed to take any action.

DPS would have to maintain a system that included certain information to promptly and efficiently act on complaints filed regarding a violation. The bill also would establish procedures for DPS complaint investigations, informal complaint resolution and informal proceedings, the authority of DPS to issue a cease and desist order, and the authority of the attorney general to institute an action for injunctive relief on the department's

request.

CSSB 616 also would establish the right of a person to notice and a hearing regarding an action by the commission and related administrative procedures for paying or appealing a sanction or penalty.

The commission could deny an application for, revoke, suspend, or refuse to renew a license or could reprimand a license holder for a violation. The commission could place on probation a person whose license was suspended. If a license suspension was probated, the commission could require the person to complete certain actions provided under the bill.

The commission would have to develop a penalty schedule for each program subject to these provisions consisting of administrative sanctions based on the severity and frequency of a violation.

The commission could impose an administrative penalty against a person who violated a law or rule. If law related to a program did not state the maximum amount of an administrative penalty, the amount of the penalty would have to be assessed by the commission in an amount not to exceed \$5,000 per day for each violation. The amount of the penalty would have to be based on the seriousness of the violation, the respondent's history of previous violations, the amount necessary to deter a future violation, efforts made to correct the violation, and any other matter that justice could require.

Staggered renewal of license. The Public Safety Commission could adopt a system under which licenses expired on various dates during the year. A license issued under a program governed by these provisions could not expire later than the second anniversary of the date the license was issued.

For the year the expiration date of a license was changed, DPS would have to prorate license fees on a monthly basis. The total license renewal fee would be payable on renewal.

Annual regulatory report. DPS annually would have to make available on

its website a report of regulatory statistics for the preceding state fiscal year for each program subject to these provisions and aggregate information on all the programs. The report would have to include the number of licenses issued under a program, the number and types of complaints received and resolved, the number of investigations conducted, and the number and types of disciplinary actions taken.

Other provisions relating to vehicle inspection. CSSB 616 would require the Public Safety Commission to adopt rules necessary to comply with applicable law establishing the consequences of a criminal conviction for state licensing with respect to the certification of a vehicle inspection station or inspector.

The commission would have to adopt rules to implement provisions governing hearings on the denial, revocation, or suspension of a certificate issued to an inspector or vehicle inspection station. A certificate would expire as determined by DPS under the bill's provisions but not later than the second anniversary of the date it was issued. Instead of providing for set fees, the bill would require the commission to establish reasonable and necessary fees for certification as an inspector, and the fees could not be less \$25 for initial certification until August 31 of the even-numbered year following the date of certification and \$25 as a certificate fee for each subsequent two-year period.

Programs regulating controlled substances. The bill would repeal provisions of the Texas Controlled Substances Act relating to permits for the sale or transfer of a chemical precursor or a chemical laboratory apparatus. Current chemical precursor or chemical lab apparatus transfer permits would expire on the bill's effective date.

An applicant for the issuance or renewal of a license to operate as a dispensing organization and any directors, managers, employees, and prospective individuals would have to submit a complete set of fingerprints to DPS for a criminal history background check.

The bill would remove a requirement that a person who supplied peyote to

a Native American Church register and maintain appropriate records or receipts and disbursements in accordance with applicable rules.

The proposed changes to the Texas Controlled Substances Act would apply only to an offense or violation committed on or after the bill's effective date.

Other provisions. The Public Safety Commission would have to adopt and certify physical fitness programs and that were consistent with generally accepted scientific standards and met applicable requirements of state and federal law, including labor and employment law.

The bill would repeal a requirement that DPS report to the Texas Department of Transportation a description of and the purposes for which DPS intended to use seized and forfeited aircraft.

DPS would be required to report to the Legislature by September 1, 2020, regarding the development and implementation of best practices for the collection, protection, and sharing of personal information held by the department.

The bill would take effect September 1, 2019, unless otherwise noted.

**SUPPORTERS
SAY:**

CSSB 616 would continue the Department of Public Safety's (DPS) role of protecting the public and providing statewide law enforcement. The bill also would provide DPS the ability to work more efficiently and effectively in performing its duties.

Transfer of driver's license program. The bill would address concerns that the current processes, procedures, and management of the driver's license program are in need of reform by providing for the conditional transfer of the program from DPS to the Texas Department of Motor Vehicles (TxDMV). Transferring the program would allow DPS to continue to prioritize other public safety functions and combine the program's administration with motor vehicle services and regulation in TxDMV. Currently, 42 states issue drivers' licenses through a department

of motor vehicles.

Sunset staff have noted that transferring administration of the driver's license program to TxDMV could be more efficient and benefit customers. DPS has had problems with driver's license customer service, and, according to Sunset staff, these problems have worsened over time. TxDMV has a division dedicated to customer relations that receives high customer satisfaction ratings, and customers could benefit from having both driver's license and motor vehicle functions in a single agency.

Transferring the driver's license program from DPS to TxDMV would be complex, requiring consideration of information technology infrastructure and systems, human resources, facilities, and other factors. For this reason, the bill provides for an independent, third-party feasibility study to evaluate the challenges and opportunities for transition and a framework for DPS and TxDMV to work together to recommend solutions to ensure a successful transfer. TxDMV also would assess personnel, property, and technology resources, among other items, which would provide an opportunity for TxDMV to address any needs prior to the transfer.

Expiration date of driver's licenses. By extending the duration of driver's licenses and commercial driver's licenses, the bill would benefit customers and help alleviate wait times at offices.

Motorcycle and off-highway vehicle operator training programs. Sunset staff suggested that the Texas Department of Licensing and Regulation (TDLR) could better administer and oversee the both the motorcycle and off-highway vehicle safety programs.

TDLR has significant experience with streamlining and simplifying regulatory functions, cooperative interagency discussions, and seeking input from regulated industries. TDLR also has experience administering programs similar to the safety programs that would be transferred under the bill, and the programs would receive more attention at TDLR than at DPS, which is appropriately more focused on its important law enforcement responsibilities.

Report on border crime. The report on border crime required by CSSB 616 would provide adequate and necessary statistics to help the state measure whether its efforts to secure the border were succeeding. Currently, DPS measures the effectiveness of border security efforts in terms of the quantity of resources deployed and intelligence gained. However, this approach does not provide sufficient information to the public and policymakers about the return on investment for border security funds. Without also examining impacts to crime, neither DPS nor the Legislature can effectively plan for future investments.

Regulation of private security. The bill would address concerns that some current regulations of the private security industry do not increase public safety. Conflicting authority between the Private Security Board and the Public Safety Commission has created significant inefficiencies, and overregulation of the industry through a web of registration, endorsement, and licensure requirements contributes to a heavily bureaucratic system that does not meaningfully promote a public interest. This regulation also creates barriers to doing business in Texas.

Sunset staff recommended the continuing regulation of individuals and companies that provide direct private security services and the deregulation of licenses and registrations for individuals and entities that do not directly provide private security services, such as shareholders, partners, corporate officers, managers, branch offices, salespeople, guard dog companies and trainers, and private security consultants. The simplified regulatory structure would better focus DPS' resources on regulation that had a clear nexus to public safety.

Regulatory programs. The bill would standardize DPS' administration of several regulatory programs by providing the department with a full range of enforcement sanctions and by authorizing flexible license renewal requirements.

Programs regulating controlled substances. CSSB 616 would remove duplicative regulation of precursor chemical and laboratory apparatus

sales and peyote distributors that does not meaningfully protect the public. Thorough regulation by the U.S. Drug Enforcement Administration and existing criminal penalties make state regulation of precursor chemical and laboratory apparatus sales and peyote distributors unnecessary. Further, existing criminal laws provide better deterrence for illicit use of precursor chemicals, laboratory equipment, and peyote.

OPPONENTS
SAY:

While CSSB 616 appropriately would continue the Department of Public Safety, the transfer of numerous DPS programs under the bill could disrupt necessary services.

Transfer of driver's license program. Although it makes sense to move the driver's license program from DPS to TxDMV, now is not the time because TxDMV would need additional resources to effectively administer the program. TxDMV lacks sufficient leadership and has deficiencies in its information technology system capacity that need to be addressed before it could handle the administration of the driver's license program and other programs.

Motorcycle and off-highway vehicle operator training programs. The motorcycle operator training program should not be transferred from DPS because the current program has been operated in a manner consistent with legislative directives. The program has increased the number of trained riders in Texas, and transferring the administration of the program away from DPS could reduce the number of trained riders, decrease training quality, and place motorcyclists at risk.

TDLR is a regulatory agency that would not be an appropriate advocate for motorcycle safety. Further, recent transfers of other programs have challenged TDLR's staff and operational resources and significantly reduced its ability to absorb additional responsibilities without increased resources. As a result, TDLR would need additional staffing and resources to succeed in the transfer, which are not provided under the bill.

Regulation of private security. CSSB 616 should not abolish and reconstitute the Private Security Board as an advisory committee or

deregulate certain services within the industry. By taking these actions, the bill would negatively affect public safety. The Private Security Board has the real-world experience necessary to effectively oversee the private security industry, and the board has been effective in voicing industry concerns to DPS.

While it might be beneficial to ease the burden of regulation by reducing or eliminating certain training requirements, fully deregulating sections of the industry could negatively affect public safety. DPS should continue to regulate security salespersons, managers, private security consultants, and guard dog companies and trainers. The bill should not deregulate this portion of the industry as these individuals have access to personal information and information about homes and businesses, just as do those who provide direct security services.

OTHER
OPPONENTS
SAY:

Transfer of driver's license program. CSSB 616 should not require the comptroller to select the independent, third-party vendor for DPS to contract with in order to conduct a feasibility study on the transfer of the driver's license program. DPS should have the flexibility to identify the best entity with whom to contract, including institutions of higher education. Involving the comptroller would increase the costs and time associated with the study.

The bill also should specify issues that the third-party assessment had to examine, especially the migration of information technology hardware and software for the driver's license program from DPS' own data center to possibly either the state data center or a commercial cloud. Identifying related challenges would be important as costs associated with such a migration are estimated to be significant.

In addition, TxDMV operates few service centers, since most transactions are processed by tax assessor collectors, and this could negatively impact the department's ability to administer the driver's license program. Sunset staff found in its review of TxDMV opportunities to further consolidate and modernize the agency's customer service and develop a more comprehensive approach to its IT infrastructure. These findings should be

considered in any potential transfer.

Motorcycle, off-highway vehicle operator training programs. Just as the bill provides for an independent, third-party assessment prior to any transfer of the driver's license program, the bill should require a similar assessment prior to the transfer of motorcycle and off-highway operator training programs to identify related challenges and opportunities. For example, the time frame provided for disposing of motorcycles leased by DPS would shut down many schools that count on leased bikes to run their programs and that could not afford to buy them back. Any study should be sure to involve consultation with motorcyclists, safety experts, and other stakeholders.

TDLR would not be the best agency to administer these programs, and the Legislature should consider transferring them to other, more appropriate agencies. The off-highway vehicle operator training program should be transferred to the Texas Parks and Wildlife Department as it already has related sticker and training programs. The motorcycle training program should be transferred to the Texas Department of Transportation, which already has an interest in motorcycle safety.

NOTES:

According to the Legislative Budget Board, the fiscal impact of CSSB 616 to general revenue related funds could not be determined due to the unavailability of certain fiscal estimates associated with the transfer of the driver's license program. There would be fiscal impacts to the Texas Mobility Fund and the Motorcycle Education Account.