

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Brian Holman

DATE: January 30, 2020

SUBJECT: Approval of a Revised Interlocal Cooperation Contract Between the City of Lewisville and the Texas Department of Public Safety (DPS) for the Collection of Outstanding Fines and Other Amounts Pursuant to Section 706 of the Texas Transportation Code and for the Continuation of a Failure to Appear (FTA) Program Which Denies the Renewal of a Driver License to Persons Who Fail to Appear in Court or Fail to Pay a Fine and/or Costs; and Authorization for the City Manager to Execute the Contract.

BACKGROUND

The nonappearance of defendants and the nonpayment of fines and costs to municipalities result in an erosion of respect for the judicial process and tremendous loss of revenue for the City and State. To address this issue, the State authorized the “Failure to Appear Program” pursuant to Chapter 706 of the Texas Transportation Code. This provision grants authority to the Texas Department of Public Safety (“DPS”) to deny the renewal of an individual’s driver license for failure to appear for a complaint or failure to satisfy a judgment ordering payment of a fine or cost. The basic elements of the program are as follows:

- DPS contracts with a private vendor, OmniBase (“Omni”), to administer the program;
- A local government notifies DPS of noncompliance who in turn notifies Omni;
- Notice of a potential denial of license renewal is given to motorists at the time of the citation;
- Upon compliance with the notice to appear or payment of the fine and costs, the court notifies Omni to release the license hold;
- The court collects an administrative fee of \$10.00 (\$6.00 is sent to Omni and \$4.00 is retained by the City)

For the past 15 years, the Court has utilized the FTA program as part of a series of tools to enforce judgments and collect fines and costs. During the most recent session, the Texas Legislature passed S.B. 346 which made significant changes to many of the fees collected by municipal courts. One of the fees affected by the new law is the FTA fee which required the court to collect \$30.00 and distribute the fee as follows: \$20.00 to the DPS, \$6.00 to Omni, and \$4.00 to the Court. With the change, the fee is reduced to \$10.00 and DPS no longer receives any portion of the fee. Omni is paid \$6.00 and the Court retains the remaining \$4.00.

The proposed contract revises the terms of the agreement between DPS, Omni and the Court to reflect the changes in the law.

ANALYSIS

The terms of the revised agreement should have no fiscal impact. In fact, given the state-wide changes to the overall structure of fees and costs collected by courts, the reduced fee of \$10.00 should make it easier for a defendant to pay the delinquent fines and costs. Nor should the changes have any impact on the court's ability to continue implementing the program. Because Texas drivers renew their license only once every 6 years, the process can take some time. However, it has been an effective way to ensure eventual compliance with court orders.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the contract and authorize the City Manager to execute the contract as set forth in the caption above.