

MDRA Legislative Update

May 18, 2020

Late last night the Minnesota Legislature adjourned their regular session, but a special session is anticipated to be called by Governor Walz—possibly as early as June 12. Certainly many high profile issues remain to be addressed by the legislature, including a bonding bill, a state employee salary agreement, an agreement on how to allocate and oversee federal COVID-19 relief funds, an omnibus tax bill, and an omnibus transportation finance bill.

The latter two items are especially critical for deputy registrars, as they represent crucial pieces of legislation that can help stabilize our offices statewide. Tax relief for corporate deputies from last year's compensation package and meaningful filing fee increases for all offices going forward are even more essential now than ever before.

As the state now faces an estimated \$2.4 billion budget deficit (and possibly growing), deputy tax relief may be the most challenging given its half million-dollar price tag. However, we are committed to seek its inclusion in some manner in a future special session tax bill.

Filing fee increases remain our core mission as it was all session. We enjoy support for this from both parties in the house, as well as the DFL in the senate. Unfortunately, the republican majority in the senate remains the stumbling block for this to advance.

Though all offices can begin reopening today with limited in-person transactions, your operations will continue to run deficits as your transaction times will likely soar to levels not seen since the launching of MNLARS. While this is some return to normalcy after only being able to conduct work via phone, drop off, or mail-in, it is still little comfort given the new investments you have had to make (such as plexiglass) to reopen. Your budgets cannot afford redirecting staff to regularly sanitize your offices rather than serve customers. You cannot maintain usual volumes of business during normal business hours with these conditions. Many of you have laid off or furloughed skilled staff without any guarantee of being able to have them return soon. Any short-term labor cost savings you may have pale in comparison to existing and future losses.

This pandemic has already caused other businesses to permanently close. Tonight, the city council of Bloomington will vote to determine the fate of their deputy registrar office. That municipality is facing budget deficits and do not want to subsidize their license bureau. If this passes it would be an alarming development that may begin a trend with other public offices across the state. Private offices may also be inclined to do likewise if we do not prevail on our fees in a special session at the legislature.

IT IS IMPERATIVE THAT EVERY OFFICE RESUME COMMUNICATIONS WITH THEIR LEGISLATORS AND TELL THEM (AGAIN) THE CRITICAL NEED FOR FILING FEE INCREASES TO BE ENACTED IN THE FORTHCOMING SPECIAL SESSION. ALSO, INCLUDE THESE KEY SENATE REPUBLICANS PROVIDED BELOW:

SENATOR PAUL GAZELKA
SENATOR SCOTT NEWMAN
SENATOR JOHN JASINSKI

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Over the course of this session, MDRA has redoubled our efforts engaging with DVS and DPS to help guarantee offices can remain relatively operational amid the COVID-19 pandemic and the limitations imposed on all businesses under the Governor's peacetime emergency order.

We are grateful that our conversations resulted in allowing offices to reopen after one week of being closed entirely, even though with limitations banning in-person services. Though aggravating, at least maintaining mail-in, drop-off, curbside, and phone transactions have kept offices relevant without surrendering every transaction on-line to the State. We appreciate the leniency afforded offices to accept credit/debit over the phone, and this continues with noncompliant DL renewals that can be done for citizens seeking no changes in their record until June 30 next year without the photo and vision requirement (provided a photo exists on file already). We continue to work on solutions for providing vision tests in the future for Real ID and EDL.

These are strange times for all of us, and as you navigate the current reopening process, please be mindful that everyone is frustrated—including your customers. Let us all work collaboratively to find the best outcomes for everybody and share any solutions you may find that we all can use.

And make those contacts to your legislators. Do it this week, and every week thereafter. Provide them with real anecdotes of your difficulties. If your customers are frustrated, ask them to contact our lawmakers too on your behalf!

A separate update focusing on the few new laws passed concerning deputy registrar operations will be forthcoming in the next few days. Thank you, deputies!