

## MDRA Legislative Update

March 13, 2020

In advance of next week's first legislative committee deadline of March 20, the House Transportation Committee is now willing to schedule HF 1008 (Elkins), the MDRA initiated filing fee increase bill! Thank you, deputies for your active involvement in assisting with our efforts to accomplish this!

The committee has not yet signaled what day HF 1008 will be heard, but it will likely be either Tuesday March 17 or Thursday March 19. This committee meets in the afternoon from 12:45 to 2:15 on those days in Room 10 of the State Office Building, across the street from the state capitol. This regular meeting time and date is always subject to change though, and we will keep you informed should the hearing deviate next week from their normal schedule.

MDRA and our bill author will amend HF 1008 that will reflect the following new increases:

- \$4 filing fee increase for tabs
- \$4 filing fee increase for titles
- \$6 filing fee increase for driver license

These revised increases reflect conversations that we've had in the senate, which was balking at our previously sought increase amounts that had been mutually agreed upon with the DRBOA group. These new revised numbers have also been agreed to with the DRBOA.

Unfortunately, the senate transportation committee leadership remains reluctant to consider even these reduced amounts that we've pitched in the alternative and they are seeking even lower (unspecified) amounts from us!

Considering this, we will focus on creating momentum for that hearing in the Senate by pursuing this House hearing next week. When that happens, the House Transportation Committee is then expected to refer HF1008 to the House Ways and Means Committee for further action. This will satisfy meeting committee deadlines for our bill in the House.

The House Ways and Means Committee may then opt to advance HF 1008 by itself to the floor for final passage and/or consider it for inclusion in an end of session "supplemental budget" bill that will be created. The latter is preferable, and historically has always been the route that our fee increase bills have been enacted with "omnibus" bills of this nature. It also helps guarantee our fee increase remains viable should the senate fail to act on our legislation before the next deadline of March 27 in that body.

The current scenario is strikingly like last year, whereby the House Transportation Committee heard and advanced HF 1008 to Ways and Means, which then included the language in their omnibus transportation finance bill. The senate never acted on this measure last year, nor included it with their omnibus bill version. Last year's result ended up with only a \$1 increase in MV with nothing for DL. After last year's session, Ways and Means returned HF 1008 back to the House Transportation Committee which is why this original bill is again before that committee with our amendment to update it reflecting these new increased amounts.

In other news from the capitol this past week, the Senate Tax Committee heard SF 3232 (Jasinski), a bill that allows for a one-time income subtraction for deputy registrar offices that received compensation last year for their state tax filings. The bill was laid over for possible inclusion in the senate omnibus tax bill to be created later this session. MDRA strongly supports this measure on the grounds of fairness as well as delivering on last year's promise from lawmakers that these "grants" would be tax free. We await a similar hearing in the House Tax Committee.

The House Transportation Committee heard and advanced HF 3845 (Elkins), a bill to modify placement of temporary permits. This was a DVS initiative to print these permits at deputy registrar offices on thick, weather resistant paper to be placed where the rear license plate is located. Originally this bill would have taken effect on August 1, but after MDRA alerted DVS to its inappropriate date it was amended to January 1, 2021. There is no comparable bill in the senate.

The Senate Finance Committee heard and advanced SF 3901 (Newman), a bill to modify identification documents required when applying for Real ID. This legislation loosens existing documentation needed by citizens and more closely conforms with federal requirements. It would become effective up to 30 days after enactment. To avoid any confusion and misapplication prior to when it does become effective, MDRA will hold off providing specifics until it is enacted. In general, it would allow some documents to be accepted that were generated in the last year (as opposed to 90 days in some cases), accept past years property tax statements, and multiple names on utility bills.

Yesterday, Governor Walz released his supplemental budget plan, which slightly adjusts last year's enacted two-year budget. It includes calling for funding of more staff at DVS to speed up their processing of Real ID, but otherwise it is slim overall considering our state's \$1.5 billion budget surplus. The total proposal with everything included is about \$250 million, as he wishes to keep funds available should the coronavirus require additional attention beyond the emergency funding appropriated just last week as well as a cushion if the economy falters from the disease.

In closing, the risk of exposure to the coronavirus is certainly on everyone's mind. Deputy registrar offices are especially vulnerable when one considers the interaction everyone has with your customers from your lobby to the front counter staff. MDRA is working with DPS to ensure we are doing everything proper with best health practices, as well as what protocols should be done if an office must have to close suddenly. The subject overall has certainly consumed the legislature and our governor, as they even contemplate balancing their work and the public who routinely interact with them as well.

Thank you, deputies and stay safe and protected as we endure this serious health challenge while we also strive to do our jobs.