



July 2019 Edition

# Plate Talk

Official Publication of the Minnesota Deputy Registrar's Association

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## From the President's desk...

### Greetings Members!

I am excited to announce that we have three board member openings in September. The open positions are for one public and two private offices. Do you want to make a difference? This is your invite to be a member of the board of directors. The board is comprised of 9 members; 4 private and 5 public, which reflects our membership of approximately 40% private and 60% public offices. MDR is a private association – for Deputy Registrars only, and looking after the interest of Deputy Registrars! Consider taking on a position and make a difference!



President - Neng Lor  
Neng.lor@hennepin.us

Forty one years ago, the MDR was founded. This Association is unique in the fact that it represents both private and public offices. The MDR promotes the interest of all offices with one voice, unified and strong. It has also developed relationships with state departments, the state legislature and has allowed us to be included in the development of policies and procedures. The MDR gave us a voice at the capitol which continues to grow stronger and make a difference!

Making a difference is no easy task, however. Today, we face an internal challenge, that even without intending to divide the Deputy Registrars, implies that we are divided. This has created confusion at the capitol and division with our business partners and regulators. This is a division we cannot afford, negotiating and debating amongst ourselves. We've driven policy changes. We've driven legislative agendas. We must continue as one united voice.



We face challenges as spelled out and mandated by law, directing DPS to create online services. Our way of doing business will look and feel different. We cannot stand idle and wait to see. We must stay active, involved with discussions and decisions. We are solution driven and an advocate for our business.

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# Presidents's message cont'd

And while we can be uncertain at times, about the politics at the capitol, we know without our involvement we wouldn't have any of the historical successes we have today. From policy changes to fee increases, it was not an easy gain. More work needs to be done.

We can come out of the challenges as winners, like we've done before. Our success story is unity, faithful and duty-bound to membership. While it is up to all of the Deputy Registrars to keep unity, it is especially true for both board and advisory members to keep the deputy community whole, and understand that complexity of achieving 100% favorability is not 100%. So if you believe in strength through solidarity, if you want to be part of the solution with our business partners and regulators, and if you are interested in legislative challenges (just to name a few) then you are about keeping the Deputy Registrars viable, and this invitation is for you! Please feel free to contact any board member to have your name added to the list.

## 2019 Legislative Recap

All the hard work has led us to this: 13 million compensation, a dollar increase for motor vehicle services, and zero increase for driver's licenses. On the following pages you will find a summary of the 2019 laws that were passed affecting the deputy registrars. Here is my personal take on this years session. Frustrated. Confused. Relieved. Discouraged. Humbled. All of that and more. Emotions are high. And so many questions. Yet, we must thank the legislators that were understanding of our requests and took action. Not a complete win, and not a complete loss. Compensation affects every office; some are made whole, others barely a dent, and many in-between. Filing fee increases are not enough to make changes to the status quo, which by the way is NOT acceptable today, we continue to have long service time and therefore continued longer wait times, frustrated customers and exhausted employees just to name a few. And of course, significant financial loss and the scary possibilities of offices closing down. Hopefully the 13 million, and the one dollar motor vehicle filing fee increase will give us all the chance to come back for another legislative year.

It sounds exhausting, to work through another legislative process, but it is the path we must follow . The 2019 legislative session may have come to an end, but 2020 will come. We've taken this moment to breathe and prepare, for our work is unfinished. We'll stay the course and remain focused. Stay respectful and respectable, and continue to work with our law makers leading up to their return in 2020.

In closing, MDRA recognizes that this was the work of the Deputy Registrars. To all the deputies that made the phone calls, wrote letters and emails, met and testified before lawmakers – we thank you! Thanks to the advisory members that guided the challenging discussions and the board members that made tough decisions. Thank you to the counsel and lobbying efforts of Jim Hirst, the legislative committee and members that donated their time at the capitol. Everyone put in a lot of work and while we didn't get everything we asked for, we didn't come out empty handed.

Enjoy the rest of your summer!

**Neng Lor**  
President | Minnesota Deputy Registrars Association



# 2019 Legislative Report

By Jim Hirst—Lobbyist



The 2019 Minnesota Legislative Session, and its brief 24-hour subsequent Special Session to conclude its business is now in the history books. It culminated with much more successful results for deputy registrars compared to last year!

Remaining undone from 2018 was enactment of meaningful compensation for all offices who have endured the nightmare of MNLARS since its launch in July 2017. Separately, filing fee increases also needed to be addressed and increased in addition to any one-time past compensation for offices to remain viable in the future.

MDRA with the coordinated efforts of our membership worked diligently to advance and make both a reality! Thank you, members! By now, all deputy offices should have received, or should by July 31, their pro-rated share of a \$13 million compensation fund. Though these monies, created as “grants” were promised to us by lawmakers to be “tax-free”, some confusion regarding their actual taxable status has recently arisen and we encourage corporate deputy offices to consult with your personal tax adviser regarding this matter.

A nominal motor vehicle filing fee was approved, although less than we desired. **EFFECTIVE AUGUST 1**, all renewals and registrations (including pro-rate transactions) will increase by \$1. MDRA had pressed for increases of \$2.50 for renewals, \$3.50 for registrations, and \$4 for driver license transactions. Though disappointed with the smaller amount realized and nothing applied to DL, it will return as a high priority for MDRA to revisit and obtain higher increases in 2020 at the capitol. The \$1 increase in motor vehicle will at least translate into over \$5 million in new annual revenues going forward collectively for deputy offices, however.

Also beginning August 1, the state will return to imposing a tech fee surcharge on all MV and DL transactions, in the amount of \$2.25. This amount will offset the anticipated costs of pursuing and implementing a new replacement for MNLARS by an outside vendor who will be named shortly. This decision was based on the recommendation of a blue-ribbon panel named by Governor Walz earlier in the session. The schedule to accomplish the implementation is ambitious and is envisioned to be in place by the end of 2020. Meanwhile, no further upgrades will be made to MNLARS after the next scheduled patch later this month which will update the new filing fees and surcharges going into effect August 1. Plate fees will also rise in August for the state.

DVS was not the only beneficiary of increased state fees. DNR also was granted an increase of the watercraft surcharge fee, more than doubling that fee from the existing \$5 to a new \$10.60 rate for all registrations and renewals and became effective July 1, 2019. The only other fee increase for DNR concerns cross-country ski passes, which goes up to \$9 for the daily pass (previously \$5), becomes \$24 for the annual pass (previously \$19), and rises to \$69 for the three-year pass (previously \$54).

Over the coming months the MDRA legislative committee will determine our 2020 legislative agenda for the next legislative session, which begins February 18. Please contact legislative chair John Lenarz if you have a legislative change to bring to our attention and have added to our platform. Our annual legislator of the year event occurs October 17 with more details forthcoming!

Thank you everyone for your past and ongoing involvement with MDRA legislative activities!

# Summary of 2019 Laws Passed

## SUMMARY OF NEW LAWS PASSED -- 2019 MINNESOTA REGULAR AND SPECIAL LEGISLATIVE SESSION

The following new laws of special interest to deputy registrars were enacted in 2019. These are listed chronologically by regular session first (three laws), then the special session (two laws). They are designated by “chapter” and with their corresponding house or senate file number.

### 2019 Regular Session:

**Chapter 1 (HF 861)**—This first signed bill of the regular session concerned deficiency funding for ongoing operation of MNLARS. It contained \$11.2 million for MNLARS and \$2 million for DVS operations. It also mandated an external expert review of MNLARS (which was Governor Walz’s blue-ribbon panel) to report back by May 1, 2019 whether to continue MNLARS or replace it with an outside vendor. MDRA pressed for deputy compensation with this legislation but we were denied with this early legislation.

**Chapter 3 (HF 211)**—This new law recognizes licensed physical therapists with the list of health professionals who can provide an authorized medical statement for granting parking privileges for the physically disabled. Effective August 1, 2019

**Chapter 62 (SF 316)**—This new law mandates user acceptance testing for any new information technology business software created or required by the state that is used by non-state parties. Originally this bill applied only to public entities, but MDRA involvement succeeded in having this new law apply to any “agent” of the state. Effective August 1, 2019.



### 2019 Special Session:

**Chapter 3 (HF 6)**—Omnibus Transportation Finance and Policy Bill. This law has the following items:

- ◆ \$13 million for deputy compensation due to MNLARS (effective immediately).
- ◆ \$1 deputy filing fee increase for all MV transactions (effective 8/1/19).
- ◆ \$2.25 state surcharge on all MV and DL transactions (effective 8/1/19).
- ◆ Plate fee increases that vary from \$1.50 to \$2.50 (effective 8/1/19).
- ◆ State DL fee (all types) is increased by \$4 (effective 8/1/19).
- ◆ Mandates replacement of MNLARS by procuring an outside vendor (immediate).
  - ◆ Must “consider” self-service options and “feasibility” of two-year registrations.
  - ◆ A task force shall consider these along with fiscal impacts on deputy registrars.
- ◆ Accepts a new car dealer to submit base value (plus destination charge) to a deputy. (7/1/19)
- ◆ Provides for registration of certain decommissioned military vehicles. (7/1/19)
- ◆ A valid unexpired consular ID card is acceptable for vehicle registration purposes (immediate).
- ◆ Allows for approved third-party vendors to provide DL road tests (8/1/19).

**Chapter 4 (SF 7)**—Omnibus Environment Finance and Policy Bill (DNR). This law has the following items:

State fee for cross-country ski pass increases (7/1/19).

- ◆ Daily fee becomes \$9, annual becomes \$24, three-year becomes \$69.

Watercraft surcharge (AIS) on all boat registrations and renewals becomes \$10.60 (7/1/19)

Drum baits for bear hunting allowed in limited cases with a new \$5 license surcharge applied in these instances only (7/1/19).

# DVS Update by Beckey Mechtel

## MNLARS

DVS deployed the final major MNLARS release (1.16) on June 23. That release provided new functionality, corrected several defects, and improved existing MNLARS capabilities. There are two additional minor releases scheduled to address fee changes due to 2019 legislations.

Increased filing fees and technology surcharges scheduled for release July 28 (release 1.16.1), will be effective Aug. 1.

Increased plate and sticker fees scheduled for release Sept. 15 or sooner (release 1.16.2).

Release 1.16.2 will be the last MNLARS release as focus shifts to the development of the new vehicle title and registration system (VTRS). The vendor procurement process for VTRS is nearing completion. We will share that information once the state executes a contract with a vendor, which should be in the very near future. Our thanks to those offices who participated in the user acceptance testing and the live testing.

## Staying in Contact

The reimbursement grant efforts in June demonstrated how important it is to keep your contact information with DVS current. We also encourage you to check your voice mail and emails regularly, ideally at least twice daily. If you need to update your information, please email [Jason.ashby@state.mn.us](mailto:Jason.ashby@state.mn.us) and [Rachael.M.Larson@state.mn.us](mailto:Rachael.M.Larson@state.mn.us).

# Doing his part....

## Mike Hintz appointed to the Vehicle Registration Task Force!

MDRA has appointed Mike Hintz from Rochester, Deputy 19 to serve on the Vehicle Registration Task Force as written in the 2019 MN legislation. The Vehicle Registration Task Force is established to study various methods of vehicle registration and corresponding fee structures. This is a great responsibility and will have a significant change to our business. We thank Mike and his office for devoting his time and expertise to this task force.

# Mark your Calendars!



**Out State Meeting**  
**August 15, 2019 11am**  
Morrison County Government Center, 213 1<sup>st</sup> Ave SE, Little Falls, MN 56345 (Lower Level – County Board Room).  
RSVP to [denisev@co.morrison.mn.us](mailto:denisev@co.morrison.mn.us).



## 41st Annual Conference and Hospitality Night

**Hospitality Night**  
**Kelly Inn-St. Cloud**

**Thursday, September 19<sup>th</sup>**  
**7:00pm to 9:00pm**



**MDRA Annual Conference**  
**St. Cloud Civic Center**

**Friday, September 20<sup>th</sup>**  
**8:30am-3:30pm**

Watch your mail for complete details. Hope to see you there!

# MDRA MISSION STATEMENT

EXPLORE Minnesota

**The Minnesota Deputy Registrar's Association (MDRA) is a statewide membership organization promoting common interests of deputy registrars in providing professional licensing service to the public and liaison to the state.**

SEP

10,000 lakes

19

## Advisory Committee Members

Dave Konshok - Lifetime Honorary Member

Jeff Lenarz

Kim Griffith

Bruce Jindra

Kathy Jensen

Susan Wagner

Jeff Orth

Suzanne Jensen

Meagan Weber

We're on the web!

[www.mndep.com](http://www.mndep.com)

## Lobbyist

Jim Hirst

## Plate Talk Editors

Paula Anderson, , Joe Heider

