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From the President's desk...

Happy New Year and greetings Minnesota Deputy Registrars and staff!

As we move on from the very challenging year 2020, we all hope 2021 brings about an end to the pandemic and a return to the personal and business life as we knew it.



President- Jeff Orth jefforth | 55@aol.com

The year 2020 will long be remembered for the start of this historic pandemic, the awful death of George Floyd and aftermath, and the close presidential election.

The MDRA Board and Advisory Committee are committed to obtaining the fee increases necessary for the Deputy Registrar's to continue providing service to the citizens of Minnesota. On Monday December 21, 2020, the MDRA Legislative Committee and representatives of DRBOA (Deputy Registrar's Business Owners Association) jointly held a virtual Teams meeting with DPS Director Emma Corrie and Assistant Commissioner Timothy Lynaugh to reaffirm the Deputy Registrar legislative goals pertaining to fee increases for 2021.

In this meeting, Director Corrie expressed a commitment by DPS to service enhancements to citizens suggesting that our fee increase initiatives be grounded in how this will enhance service to Minnesota citizens. Assistant Commissioner Lynaugh shared that the 2021 Legislative session will be challenging for both Deputy Associations with the ongoing pandemic and the pattern of virtual meetings.

In these most difficult times, it is important to express gratitude for our positive relationships with DPS, our friends and colleagues of DRBOA, and the opportunity we have to continue to provide service to the citizens of Minnesota.

Thank you all and Happy New Year.

Jeff Orth
MDRA President





Legislative Committee

Jim Hirst-Lobbyist John Lenarz-Chair

Legislative Report

On January 5, lawmakers returned to Saint Paul and began their regular 2021 session which must conclude by May 17. After adjourning their 2020 regular session last May, the legislature has repeatedly convened short "special sessions" every month since then. This was required each time Governor Walz extended his 30-day emergency declaration for COVID-19 whenever the legislature is not in regular session. A total of seven special sessions occurred over those intervening months as a result.

The legislature may pass legislation during a special session and only did so in limited cases that focused on a bonding bill, law enforcement reforms stemming from the death of George Floyd, insulin cost containment, and targeted COVID compensation for the hospitality industry. MDRA pressed lawmakers over the summer to also enact our filing fee proposal from last session but were denied that consideration. After the November elections we attempted a partial increase of just \$4 for only DL that could become effective January I, with a matching DL increase and the full balance of our other MV fee increases to be taken up in the 2021 regular session. However, this approach was not taken up by lawmakers either.

Therefore, we return in 2021 with our original fee proposal from last year. Our legislation has now been introduced and is identified as HF 54 in the House which features the following:

\$8 increase in DL filing fee

\$6 increase in MV title and pro-rate filing fee

\$3 increase in MV tab fee

All would be effective July 1, 2021

Rep. Steve Elkins (D-Bloomington) returns as our chief author in the House. He is well versed in deputy registrar issues and strongly committed to our cause. He also serves on the House Transportation Committee which will have this bill referred to. Our chief author in the Senate will be identified and shared with you shortly.

Legislation concerning self-service kiosks is currently being drafted separately, however that initiative will be secondary to our fee increase initiative. This is an issue that DVS does not wish to take the lead on but is strongly pressing us to advance it instead. Therefore, we must proceed carefully so as not to detract from our primary objective which is filing fees. We envision this legislation to create a pilot project before any full rollout can occur which would be optional for any office to pursue. MDRA is also committed that any kiosk would strictly be exclusive for deputy registrars (not for the State or any other entity) and be located within or in close proximity to that deputy office. Existing filing fees must be fully retained by the deputy and the kiosk supplier should be compensated with a separate "service fee" surcharge collected for that purpose on the transaction. Other kiosk matters under consideration include its maintenance, liability, and security--including the allowance of IT portals from DVS enabling deputies to do expanded self-service offerings as well.

After the November elections last fall that resulted in 31 new lawmakers elected to the 201 member combined bodies, the composition of our legislature largely remained status quo and continues to be the only state legislature in the nation with divided control whereby democrats and republicans each control a different chamber. The House stayed in DFL control, but with a more narrowed majority of 70-64. The Senate continues to be Republican controlled, with a makeup of 35-32 and 2 Independents. Two members, Senator Tom Bakk and Senator David Tomassoni, both of the Iron Range, have now chosen to caucus as Independents after previously identifying as DFL.

Amidst the backdrop of this continued divided legislature, lawmakers must pass the next biennial state budget that will take effect July I. Governor Walz, now in the second half of his first term, is expected to unveil his budget proposal in the coming days and MDRA has actively sought for consideration in his budget proposal for our filing fees with administration officials. Fortunately, the state's budget forecast is less severe than originally anticipated. Late last year, there was a projected short-term deficit (leading up to July I, 2021) of over \$2 billion and an additional long-term deficit (for 2021-2023) approaching \$5 billion. However, the most recent state budget forecast now envisions a short-term surplus of \$650 million and a long-term deficit in the neighborhood of \$2 billion.

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Legislative Committee (cont'd)

While this news is encouraging for the State and represents a manageable amount for our lawmakers to tackle, there will be increased demands by some for additional state spending and others will seek cuts to achieve a balanced budget. Complicating budget discussions is the continued impact of the global pandemic going forward. Other matters commanding lawmakers' attention will include COVID related business assistance and unemployment, as well as affordable housing and certainly racial justice investments—especially as the murder trial of George Floyd with four charged Minneapolis police officers begins in March.

Most of the capitol complex has been restricted from public access since last spring due to the pandemic and subsequently, from last summer's riots. The House this year will conduct all their hearings and floor sessions remotely whereas the Senate has chosen to pursue a hybrid approach. This limited ability to directly engage with our lawmakers by traditional means has now only been made even more difficult due to the recent horrific events in our nation's capital. However, we must rise to the challenge and redouble our grass roots efforts in delivering our message to our elected officials!

Beginning immediately, MDRA is asking every office to contact your local state legislators and commit to do so every week. Enlist your staff and others to join you if possible. This is no different from past calls for action. In addition, all members of both legislative transportation committees need to be contacted on a regular basis as well. Given our current circumstances and the limited manner in which we can personally petition lawmakers at the capitol, it is critical that we all participate in this ongoing effort. Do not assume others will do this project for you!

Until informed otherwise, please begin with phone calls at this time. Emails tend to get lost among the vast volumes of these communications currently. (This can also be said of voicemails but start with phone calls for now. If the voicemail box is full, keep trying!) Again, commit to doing this outreach weekly to your local lawmakers regardless whether they serve on the transportation committee or not. The next two pages are your guide sheets.

Thank you, deputies, for your adherence and assistance to help us achieve our 2021 legislative goals!

















Legislative Call to Action

START MAKING WEEKLY PHONE CALLS TO YOUR LEGISLATORS!

Only with <u>repeated</u> calls to our state lawmakers will they grasp the dire need for our fee increases. This is critical in underscoring our plight and to prevent this issue from becoming "forgotten" if we are not persistent! This is best accomplished with <u>weekly</u> outreach by calling your local state legislators. If you get voicemail, leave a message to have them call you back.

To determine who your local state legislators are and their office phone number, visit either <u>www.house.mn</u> or <u>www.senate.mn</u> and click "who represents me". Enter the required address fields at either site to determine who your "state representative" and "state senator" is. Don't confuse federal offices (US Rep and US Senator) also provided on this site!

WHAT DO I SAY?

Most lawmakers are familiar with deputy registrar operations due to the past MNLARS fiasco. Therefore, you shouldn't need to go into great explanation of what your office does (though some new members after last fall's election may need some extra background). Here are some basic points—you may have others that you may wish to focus on! (Also, don't assume lawmakers know acronyms such as DL and MV—say driver license and motor vehicle (or titles and tabs!)

- ♦ Introduce yourself, you are (or work for) a DR, and provide your address and contact info
- Describe the problem:
- Extra time is needed to complete **ALL** transactions for our citizens
 - This continues for MV despite the conversion to MNDRIVE
 - This continues for DL, especially with Real ID and Enhanced
 - Existing fee doesn't cover labor and office costs
- Existing DL fee hasn't changed since 1/1/14, but much has changed since then:
 - Current fee was set long before Real ID and EDL implementation
 - Each Real ID and EDL consume on average 30 minutes staff time
 - Volume of "no fee" transactions increasing
- ♦ Previous MV fee increase in 2019 was minimal, its' prior increase was 2011
 - MNDRIVE requires 30% more data entry work compared to MNLARS
 - State compensation for MNLARS in 2019 never covered our losses
 - -- Amount fell well short for the 3+ years we suffered
 - -- If you are a private office, this compensation was taxed
 - Volume of "no fee" transactions increasing
- ♦ Office expenses are increasing
 - More copying required at your expense (paper, ink, toner)
 - New equipment investments (scanners, remote work laptops)
 - Pandemic related expenses (plexiglass shields, office reconfiguration, creating drop-off boxes, extra postage, reservation systems)
 - Existing fees haven't kept up with basic inflationary increases:
 - -- Wages, insurance, utilities
- Our filing fees are not a tax—they are a true "user" fee
- Welcome any questions they may have. Inform them legislation has already been introduced in the House (HF 54). Ask for their help this session on this critical matter. Ask they share these concerns with their fellow colleagues in the legislature.

Remember, be respectful in your discussion, thank them for listening, and request that your lawmaker keep you apprised of developments going forward.

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Legislative Call to Action (cont'd)

For future reference, this same project will soon expand and focus on the House and Senate Transportation Committee members. Those individuals and their office phone numbers are as follows:

Senate Transportation Committee: 9 Members

651-296-4131	Sen. Scott Newman, Chair	(R-Hutchinson)
651-296-0284	Sen. John Jasinski, Vice Chair	r (R-Faribault)
651-297-8073	Sen. Jim Carlson	(DFL-Eagan)
651-296-4837	Sen. Julia Coleman	(R-Chanhassen)
651-296-4191	Sen. Scott Dibble	(DFL-Minneapolis)
651-296-9261	Sen. Ann Johnson Stewart	(DFL-Wayzata)
651-296-5655	Sen. Mary Kiffmeyer	(R-Big Lake)
651-296-4188	Sen. Jennifer McEwen	(DFL-Duluth)
651-296-1282	Sen. David Osmek	(R-Mound)

House Transportation Committee: 17 Members

651-296-9281	Rep. Frank Hornstein, Chair	(DFL-Minneapolis)
651-296-5369	Rep. Erin Koegel, Vice Chair	(DFL-Spring Lake Park)
651-296-2439	Rep. Cal Bahr	(R-East Bethel)
651-296-5510	Rep. Connie Bernardy	(DFL-New Brighton)
651-296-7803	Rep. Steve Elkins	(DFL-Bloomington)
651-296-3248	Rep. Luke Frederick	(DFL-Mankato)
651-296-3824	Rep. Alice Hausman	(DFL-Saint Paul)
651-296-1729	Rep. John Heinrich	(R-Anoka)
651-296-6926	Rep. Jon Koznick	(R-Lakeville)
651-296-3533	Rep. Sandy Masin	(DFL-Eagan)
651-296-2676	Rep. Mary Murphy	(DFL-Hermantown)
651-296-3751	Rep. Michael Nelson	(DFL-Brooklyn Park)
651-296-3240	Rep. Bjorn Olson	(R-Elmore)
651-296-5368	Rep. John Petersburg	(R-Waseca)
651-296-4192	Rep. Ruth Richardson	(DFL-Mendota Heights)
651-296-9303	Rep. Paul Torkelson	(R-Hanska)
651-296-4226	Rep. Nolan West	(R-Blaine)



etter sent to our Lawmakers

January 8, 2021

Senator Scott Newman 3105 Minnesota Senate Building 95 University Avenue West Saint Paul, MN 55155

rep.frank.hornstein@house.mn

sen.scott.newman@senate.mn

Representative Frank Hornstein 545 State Office Building 100 Rev. Dr. Martin Luther King Jr. Blvd. Saint Paul, MN 55155

Dear Chairmen,

The New Year ushers in a new legislative session fraught with daunting challenges for you and our legislature in creating the next biennial budget for Minnesota. We acknowledge and recognize the scope of the task you face while everyone struggles to regain their footing after a tumultuous 2020. This basic need for stability remains critical for all our deputy registrar offices as well. As you both are aware, deputies have long sought fair increases to the user fees that we may statutorily charge for any completed transaction we provide to the public. These services are primarily for driver license as well as motor vehicle title and registration.

The last driver license (DL) filing fee increase became effective over 7 years ago (January 1, 2014). Since that time both Enhanced and Real ID were enacted by the legislature, with federal requirements governing applications and acceptable identity documentation. As more citizens transition and seek this DL, our clerical and processing times doubled in the year leading up to the COVID outbreak. (These times became even more exacerbated since the pandemic and continues unabated.) An independent study we conducted over a year ago confirmed this, which was shared with you both in January 2020.

Motor vehicle (MV) transactions concerning titles and registrations (tabs) have also experienced extended clerical and processing times for us, even after our transition to MNDRIVE after MNLARS. MNDRIVE requires yet additional data entry by our staff, above and beyond that which we had with MNLARS. (This fact should not be surprising, as it was clearly shared with the legislative task force that 30% more data entry would be required with the new system compared to MNLARS.)

That same independent study from one year ago also analyzed MV transactions. This was conducted two years after the MNLARS launch, but at a time when that system had largely stabilized after numerous fixes and patches had been applied to it. Regardless, titles still averaged over 60% longer to accomplish and tabs were still 10% longer compared to pre-MNLARS. However, these averages remain constant under MNDRIVE due to our expanded data entry responsibilities, and in the case of tabs did not reflect thousands of "no-fee" transactions conducted annually with <u>no</u> compensation retained.

Letter sent to our Lawmakers (cont'd)

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In 2019 the legislature did approve a \$1 increase for our title and tab work. That same year we were also awarded a one-time \$13 million appropriation for unreimbursed MNLARS costs. Sadly, those measures fell far short in rectifying the financial losses that has faced our offices for most of the past decade, especially when three years of MNLARS followed by the challenges last year to train and transition to MNDRIVE, occurring in the midst a global pandemic which alone was devastating.

In response to COVID-19 restrictions last year, offices were forced to install extensive plexiglass shields and invested in reservation systems to accommodate in-person customer service that conformed with social distancing protocols. Offices purchased additional computers to allow staff to securely work from home. Postage costs soared as we fulfilled tab renewals for our customers through the mail, each transaction capturing 10% of our filing fee just for the stamp, envelope, and printing cost alone.

Please be mindful that our staff are highly skilled and deserving of their salaries that average well over \$25 per hour in compensation when health insurance is included. However, payroll is but one expense for a deputy registrar operation. We are also responsible to furnish at <u>our</u> cost all equipment, supplies (especially paper and toner), IT connections, rent, furnishings, utilities, security, and mandatory operational bonds to name a few. The state does not cover these expenses. Our filing fee must!

When one compares the inherently rising costs associated with operating a deputy registrar office with the stagnant revenues realized from our filing fees, it is obvious that action is desperately needed to stave off wholesale closures of these facilities. Currently one large municipal office in the metro area has already announced their intention to terminate their entire operation effective March 31, 2021. One privately operated office in central Minnesota has suspended all DL offerings. Another three private offices have posted their business for sale at reduced prices, but with no takers. These are located outside the metro and may likely fold if a buyer does not step forward. Many of our county and city operators across the state are now seriously considering terminating their appointments as well.

Left ignored, this alarming trend will result in a wholesale loss of service to the citizens of our state. Our services cannot be consolidated with fewer offices remaining to offer them, nor can they be wholly transformed into online options that currently are handled exclusively by DVS.

The Minnesota Deputy Registrars Association (MDRA) and the Deputy Registrar Business Owners Association (DRBOA) jointly call on the 2021 Minnesota Legislature to enact meaningful filing fee increases this session that properly and fairly compensates us for our services. Our joint position calls for increases of \$8 for DL, \$6 for titles, and \$3 for tabs. We look forward to engaging and working with you this year to help make this a reality for us.

Thank you,

Jeff Orth
MDRA President
Jefforth | 55@aol.com

Kristi Beaucage

DRBOA President

kbeaucage@quick-serv.com

ommunications Message Joe Heider-

Communications Director



Greetings deputies.

This past year has been extremely trying for many of our members both personally and professionally. We have and are still trying to provide needed services to our constituents during a pandemic. Offices are doing their best to find a balance between providing these needed services, as well as keeping themselves and their staff safe. It is a tough line to draw and doing so knowing the rollout of MNDrive is coming down the pipeline. After the shaky rollout of MNLARS we were not sure what to expect.

With the odds stacked against us we knew the next few months were going to be exceedingly difficult for deputies.

MDRA's communication committee as well as the Board of Directors brainstormed ways to ensure a continued open line of communication with our members going forward. Just a couple of the things that were put into motion were our tips of the day over the last month. Ideas from many of our members were taken and distributed to membership to help with some of the common issues deputies were experiencing within MNDrive.

Many of these tips of the day were pulled from the next resource we have available to members which is our MDRA Facebook page. Since its launch on September 5th of 2019, we have accepted over 190 members. There has been tremendous dialogue between members over the last year, ramping up more recently in the wake of the MNDrive release. From questions and solutions, to sharing ideas and frustrations, the MDRA Facebook page has been a resource for members run exclusively by you all. You are the ones that have made it successful and we commend you and thank you for that.

The MDRA Facebook page is open to all member offices and there is just a short application if you want to become a member. We are aware that this will not be an option for all of our members however. Some individuals do not have Facebook and some are not allowed to access it at work. So to help our other members we decided to re-create a website. We have been working on this for the past 5-6 months to create one from the ground up. We are on our final stages and hopefully should have this resource available in the next month or so. Please keep a look out for updates from MDRA regarding this in the near future.

Thank you again to all of our members for sharing their knowledge and experience in these difficult times. You are all the real MVP's. Stay safe and stay strong. Happy New Year, here is to a better 2021!

Thank you, Joe Heider **MDRA** Communications Director









2020-2021 Committees and members











DNR Committee		
Chair: Mike Hintz	Co-Chair: Ramona Strolberg	Kim Griffith
Nick Heider	John Lenarz	Jeff Orth

	Governance Committee	
Chair: Ken Mohr	Co-Chair: John Lenarz	Jeff Lenarz
Jeff Orth		

	Communications Committee	
Chair: Joe Heider	Co-Chair: Laura Laudenbach	Meagan Weber
Mike Hintz	Sue Jensen	Mary Filzen

Legislative Committee		
Chair: John Lenarz	Co-Chair: Mike Hintz	Jeff Orth
Jeff Lenarz	Bruce Jindra	Laura Laudenbach
	Mary Filzen	

Driver and Vehicle Services Executive Steering Committee (DVSESC)		
Joe Heider	Jeff Lenarz	Meagan Weber
Laura Laudenbach		4 member max
DL Workgroup		
Mary Filzen	Jared O'Reilly	Toni Lahr
Sharee Gottlieb	Tereza Bazac	5 members max
MV Workgroup		
Mary Filzen	Jared O'Reilly	Chuck Moulder
Erin Olson	Jennifer Kurtzhalts	5 members max











DVS Update

Below is a short update from DVS

Dear Deputies:

2020 was a year like no other in recent memory. When the Washington Post asked readers to sum it up in just one word, they used words like exhausting, relentless and chaotic. For DPS-DVS and our business partners it was memorable as we came together to renew our commitment to serve Minnesotans by finding innovative solutions to the challenges we faced. Together we implemented a new system, reopened our offices, and delivered driver and vehicle services while creating and maintaining a safe environment for our staff and customers.

DPS-DVS and deputy registrars accomplished the following in 2020.

- Developed an innovative engagement model embedding deputy registrars and driver's license agents as project staff on the MNDRIVE project team.
- ♦ Contracted with deputy registrars and driver's license agents to run MNDRIVE test scenarios and test data conversion efforts.
- Updated deputy registrar's agreements.
- Held biweekly teleconferences addressing the needs and concerns of deputy registrars and driver's license agents.
- Pivoted from classroom training to live webinar sessions and online on-demand training modules with at home options.

2021 brings many opportunities to strengthen our partnership as we prepare to launch phase two of MNDRIVE, continue to address COVID-19 challenges, and provide services to build thriving communities. We look forward to a productive and healthy new year.











Adapting.....











Ely License Center

What a year it's been....



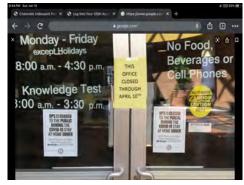
































CAMISSONSTA

The Minnesota Deputy Registrars 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.

10,000 lakes

Board of Director Advisors

Dave Konshok - Lifetime Honorary Member

Kim Griffith

Bruce Jindra

Nancy Kill

Susan Wagner

Denise Vogl

Suzanne Jensen

Meagan Weber



Jim Hirst

Plate Talk Editors

Paula Anderson, and Joe Heider,

















Check us out! To get started, contact: Laura Laudenbach

l aura.laudenbach@co.stearns.mn.us

Sue Jensen

Suzanne.jensen@blueearthcountymn.gov





