



# Plate Talk



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Official Publication of the Minnesota Deputy Registrar's Association

## From the President's desk...

Greetings Minnesota Deputies and Staff!

The MDRA Board would like to thank the individuals who attended the Annual "Day on the Hill" event held Monday February 14, 2022. MDRA Lobbyist James Hirst coordinated a room in the Capitol and light lunch for those able to attend. We were able to meet with members of the transportation committees for both the House and Senate. James Hirst provided flyers to share with lawmakers outlining the concerns Deputies have with the King Report and copy of that flyer is included in this issue.



President- Jeff Orth  
jefforth155@aol.com

Prior to the Day on the Hill, representatives from MDRA (Minnesota Deputy Registrar's Association), DRBOA, (Deputy Registrar's Business Owners Association), and MACO (Minnesota Association of County Officers) met via Webex to align our concerns with several of the recommendations outlined in the King Report. Special thanks to Kristy Beaucage of DRBOA, Julie Hanson of (MACO) and Mike Hintz MDRA Secretary and Legislative Chair for coordinating the multitude of Webex meetings.

Unfortunately, we were unable to meet with our primary Senate Bill Author John Jasinski of Faribault. Senator Jasinski was injured in a snowmobile accident during the MNUSA (the Minnesota Snowmobile Association) annual event. Senator Jasinski is expected to fully recover and able to return to the Senate in person mid to late March. The October 2021 MDRA Fundraiser held in Faribault was for Senator Jasinski.

During the Day on the Hill event, Senator Newman of Hutchinson (Chair of the Senate Transportation Committee) indicated strong support for the results of the King Report and pledged to assist in moving legislation forward during Senator Jasinski's recovery.

In the November 2021 MDRA Plate Talk President's report, the ongoing concern with the increase in internet motor vehicle renewals by DPS was reviewed. In meeting with DPS staff concerning the current 2022 legislative session, one of the primary DPS initiatives is to increase funding for postage in their budget \$4 million dollars to pay for mailing out the plates and stickers to Minnesota Citizens. Additionally, in the King report, he indicates the internet volumes for plates and stickers have tripled since the start of the Pandemic.

Continued on next page

# President's Message (cont'd)

As the MDRA Team interacts and works with DPS staff and leadership, the interaction is both professional and collaborative. It should be noted that the DPS leadership team, Business Liaisons, and Staff in PIC have many new staff who are adapting to their new roles. This holds true as well as the Deputy Registrars also have many new team members in their offices.

The MDRA Board has determined that the Webex Monthly Board meeting format should continue well into the future. This provides both MDRA Board Members, MDRA Advisory Committee Members, and MDRA Members the opportunity to listen and participate in the meeting without having to physically travel to the actual meeting site.

We want to enhance participation and member involvement to the fullest extent. MDRA Secretary and Webex Coordinator Mike Hintz has coordinated this effort. This would not be possible without his skill and commitment to the process. Thank you again Mike.

Special thanks also to Sue Jensen and Laura Laudenbach for spearheading the Facebook communications to the membership. This has been very effective during the transition to MNDRIIVE.

Gratitude and appreciation also to MDRA Treasurer Nick Heider and Immediate Past Treasurer John Lenarz for a seamless transition for the MDRA Financial duties.

Thanks again to the patient Membership of MDRA as we persevere and continue to pursue legislation to provide for financial stability for the Minnesota Deputy Registrar Offices.

Respectfully submitted,

*Jeff Orth*  
MDRA President



# Legislative Committee

Jim Hirst- Lobbyist  
Mike Hintz- Chair

Our lawmakers returned to Saint Paul on January 31 to convene the 2022 regular legislative session! This is a “short” and “non-budget” session with adjournment expected by May 23. However, with an unprecedented near \$8 Billion state budget surplus as well as billions of recently made available federal relief money--this will certainly not be considered a typical “non-budget” session!

Ironically, surpluses are probably more difficult for lawmakers to address than deficits, and especially with the approaching fall election when all legislative seats (and the governor) are on the ballot. Everyone has their own ideas and pet projects, all competing for consideration.

One acknowledged matter that will likely be addressed in the short term concerns the state’s unemployment fund that must be replenished by next month to avoid massive tax hikes on businesses. That state fund alone requires \$1 billion, plus a comparable repayment on this to the federal government beyond that as well. Furthermore, last year’s stalled “front-line worker” compensation bill will be resurrected and may exceed well beyond the \$250 million originally envisioned for that. Tax reform will be a major topic, and Governor Walz is proposing “rebates” much like Governor Ventura did 20 years ago. These matters alone will quickly draw down that projected surplus if all are fully enacted.

However, deputy registrars could only hope to be in such a budgetary predicament that the State has! Rather, our offices are stressed financially, and our staff is struggling to meet the demands that have been placed on us since pre-Covid and then aggravated even more by the pandemic. Relief for deputy registrars must also be included in this session’s accomplishments by our lawmakers.

**IT IS CRITICAL THAT ALL DEPUTIES AND STAFF COMMUNICATE WITH YOUR LEGISLATORS! PLEASE COMMIT TO REACHING OUT TO THEM EVERY WEEK NOW UNTIL THE END OF SESSION! To determine who represents you, visit [www.house.mn](http://www.house.mn) or [www.senate.mn](http://www.senate.mn) and follow the link provided. Contact your legislators by email, phone call, and/or local contact with them when they’re back home in your district. INFORM THEM OF THE SITUATION. LET THEM KNOW YOUR PLIGHT. BE PRO-ACTIVE & INFORMATIVE.**

Last month, the long awaited “King” report was released, which basically confirmed what we’ve known and been saying for years! Deputies cannot continue down this path any longer, doing more work with less and less revenue. Offices will permanently close (*and they have*)! We largely agree with the King report’s overall findings and recommendations, but we consider a few in need of better clarification.

On the positive side, it does recommend \$8 DL filing fee increases for initial EDL and Real ID, a \$3 DL filing fee increase otherwise for all renewals, and make DVS share their online/mail-in filing fees with deputies. However, it also suggests any limited DL agent must become full-service as a condition for DVS sharing MV filing fees with them. This fails to recognize physical factors affecting those offices in doing so, and would be cost prohibitive to pursue (or take too long to achieve the return on the investment). Also concerning is a recommendation to place standard DL’s on an 8-year cycle. Elsewhere in this edition of Plate Talk, find our official response to the King report that was delivered to key lawmakers. *A full copy of the King report is also on our website: [www.mndep.com](http://www.mndep.com)*

Legislation based on the King report is currently being drafted for introduction in the Senate by Senator John Jasinski (R-Faribault) which will be sponsored likewise in the House by Representative Steve Elkins (D-Bloomington), who each serve on their respective Transportation Committees and are strong advocates for deputy registrars. Recently Senator Jasinski suffered serious injuries from a snowmobiling accident from which he is currently recovering. Nonetheless, his involvement will continue but with Senator Scott Newman (R-Hutchinson), Chair of the Senate Transportation Committee, handling the legislation until he can transfer it back to Senator Jasinski upon his return. We very much wish Senator Jasinski well and for a speedy recovery, and thank the Chairman for stepping forward with his valuable assistance.



# Legislative Committee (continued)

Prior to this recent development, MDRA had made plans to return to the Capitol and resume our annual “Day on the Hill” event, which was held on February 14. Given last month’s release of the King report recommendations, we felt it imperative to press forward with the event despite Covid restrictions limiting our personal interactions around the Capitol campus. The State Office Building (House offices) and most of the Minnesota Senate Building (Senate offices) remain off-limits to the general public. However, the State Capitol *isn’t* and provides some ability to personally engage with our elected officials when they attend floor sessions, which we purposely scheduled our day to coincide.

Over 20 deputies attended in person from International Falls to Fairmont and locations in between! Thank you, deputies for your personal participation and also to those who joined us remotely that day. *(We deeply regret encountering some technical problems at points with our livestream that remote deputies experienced, but we will learn and promise to make it better next year!)* We had valuable in-person group sessions with Senator Newman, and Representatives Petersburg and Torkelson. We also had excellent one-on-one conversations with multiple House and Senate members during floor sessions. All deputies in attendance also distributed flyers to legislators arriving at floor sessions that underscored our agenda and the critical need to address it this year. Regrettably, Representative Hornstein (Chair, House Transportation) and Representative Elkins could only join us remotely which was challenging to coordinate but well worth the effort regardless. Most importantly, all the speakers that day said the right things to us. Now we just need to keep up that momentum and expand upon it. **THAT’S WHY WE NEED EVERYONE’S COMMITMENT TO CONTACT YOUR LAWMAKERS WEEKLY!**

Thank you, deputies for your dedication and involvement with our legislative activities!

Jim Hirst  
MDRA lobbyist

# Day on the Hill



# Day on the Hill Handout

## HELP YOUR DEPUTY REGISTRARS!

*Locally based and staffed to assist your community.*

### BACKGROUND ON OUR CRISIS:

We are operating in deficits caused by factors that must be corrected to avert any more office closures. *Please know...*

#### **DVS TRANSFERRED THEIR WORK TO DEPUTIES**

- More data entry work shifts to deputies from DVS, without due consideration
- 40% more time per transaction:
- Feature of MNLARS and MNDRIIVE

#### **STATE FEE STRUCTURE FAILS TO SUSTAIN DEPUTIES**

- Current filing fees aren't covering our costs:
  - Doesn't consider shifted DVS work
  - Time for Enhanced/Real ID licenses
  - Our "No-fee" tasks are ballooning:
    - Fulfilling lost DVS online tabs
    - Expansive rate of responding to customer calls and emails
  - Costs routinely exceed our income
    - We cannot afford more staff
    - Deferring other office needs

Filing fees are our only source of income:

- Must cover all our overhead such as;
  - Labor, insurance, bonds, rent, computers, other equipment, furnishings, phone & IT, and security

The pace of office closures will accelerate if nothing is done, frustrating citizens more

- Many city and county offices now need local tax subsidies to stay open; private offices are seeking new lines of credit to remain open
- This cannot be tolerated any longer

#### **LOSS OF FILING FEES TO OUR REGULATOR!**

- DVS offers direct on-line/mail-in options:
  - Largely involves "easy" transactions
  - Deputies barred from doing similar
  - Our Regulator is our Competitor
  - DVS takes 50% of all tab renewals
    - Likely to grow even further
    - Direct hit to our operations

### FLIP THIS PAGE TO DISCOVER THE SOLUTIONS!!

## HELP YOUR DEPUTY REGISTRARS!

*Locally based and staffed to help the community.*

### SOLUTIONS TO THE DEPUTY CRISIS

Last session, lawmakers called for an independent expert review led by Mr. Rick King to study and provide findings and recommendations on this matter. His report largely confirmed our situation and recommended the following:

*Online and mail-in motor vehicle (MV) transaction filing fees captured by DVS should be shared back to the deputies:*

- Deputies seek 60% share
  - Addresses our needed MV filing fee increases without costing taxpayers
  - Shared proportionately to all deputy registrar offices based on their past historic volumes of MV transactions
  - Provides office ability to invest in more staff and needed equipment

*Initial Enhanced or Real ID driver license filing fee should be increased from \$8 to \$16:*

- Addresses our losses specific to our driver license (DL) transactions (*separate from motor vehicle (MV) transactions*)

*Deputies should have an appeals process regarding any staff member's permanent loss of access:*

- One's data access is permanently revoked if viewed without a corresponding completed transaction, regardless of circumstances
  - Zero-tolerance policy fails to recognize other legitimate contributing factors
  - It should not cost a skilled clerk their job if it's satisfactorily explained

*Quicker background checks on new hires needed:*

- Current 6-month wait impacts installation of more staff and retiree replacements
- Current wait paralyzes office efficiency
- Use other acceptable law enforcement sources besides BCA to conduct

**Contact your local deputy registrar office and learn more!**

**FLIP THIS PAGE FOR THE BACKGROUND ON OUR CRISIS**

# Collaborating for Results

## JOINT STATEMENT BY MN DEPUTY ORGANIZATIONS REGARDING THE KING I.E.R. REPORT

Minnesota's Deputy Registrars represented by MDRA and DRBOA issue the following response to the recently released "Independent Expert Review" report conducted by Mr. Rick King and his team:

Our dire situation, both operationally and financially, are well reflected in this report and largely confirms the landscape deputy registrars have been experiencing and operating under for years now. We greatly appreciate the team's hard work in compiling and delivering this report, and largely agree with most of its findings. However, we find a few report recommendation topics require the following clarifications and modifications to best achieve the proper outcomes sought:

Deputy Registrars should not be mandated to become **full-service DL agents** if they aren't already, especially if it's tied to any **DVS motor vehicle** online transaction revenue sharing.

Affected offices will incur great costs at their own expense for remodeling to participate in any revenue sharing which will not justify their investment.

Affected offices that currently handle **MV** transactions would need to sacrifice existing counter space and clerk stations to accomplish this, which is a customer disservice.

"Limited service" offices forced to do this in close proximity to existing full-service offices would negatively impact those other offices financially while achieving minimal, if any, gain for themselves.

Most "limited" offices were designated such by **DPS** because of Department proximity rules specifically governing this. These office's physical and operational structures were predetermined by **DPS** and cannot now be redesigned without incurring significant cost.

All offices have separate location identification numbers as a deputy registrar agent (**MV**) and driver license agent (**DL**). Their current **DL** agent distinction should not determine one's eligibility concerning any sharing of state **MV** transaction proceeds.

Allocation of filing fees for mail-in and online **MV** transactions to the Deputy Registrars from the State should be 60%.

Deputy Registrars have consistently been denied by **DPS** the ability to offer this customer service option for nearly 20 years. The volume realized by the State has skyrocketed in just the past two years alone at great cost to our **MV** service operations and further eroding our sustainability.

While these "easier" **MV** transactions have migrated to the State, deputies are left to handle more complicated transactions that incur more cost with insufficient filing fee revenue.

The new **MNDRIVE** system requires deputies to input 40% more front-end data for the State without any due compensation. This trend actually began in 2017 with **MNLARS**.

Allocation formula should be based on the one-time **MNLARS** compensation model to deputies that was passed in 2019.

We absolutely disagree with the Department's assertion that no allocation should occur.

Non-compliant **DL** renewal cycle of 8 years should be optional for customer.

Some customers may not wish to have an 8-year credential and prefer 4 years.

Any extended period for the **DL** must have the current filing fee adjusted proportionately.

Applicable precedent would be the current 3-year option to renew certain trailers that has its applied filing fee adjusted accordingly.

However, we defer to law enforcement regarding the basic question in general of extending the term for these driver licenses.

Quicker background checks on new employees and an appeals process for access revocation.

Both topics are suggested in the report to be acted upon by **DVS** and the Legislature.

Both are deemed critical to implement for our customer service operations.

Background checks can take up to 6 months before any new staff can work.

Access revocation currently removes any skilled employee permanently regardless of whether inadvertent factors contributed. An appeals process would address these situations appropriately to preserve a clerk's livelihood along with the affected office's staffing stability.

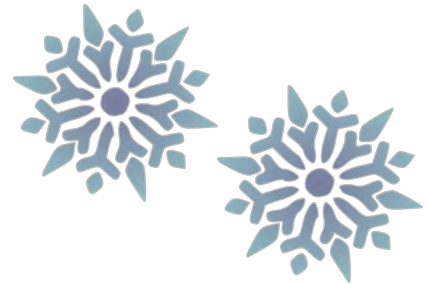
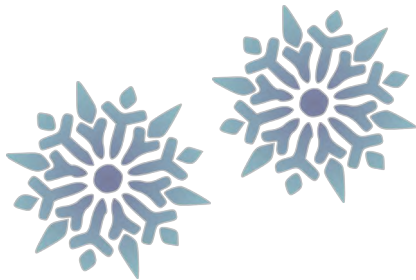
In closing, we reiterate our general satisfaction with the overall findings and conclusions of the Report of the Independent Expert Review. However, we believe the few suggestions contained above will better clarify and strengthen the report's recommendations to best serve the customer first, while also addressing our struggling deputy registrar network state-wide in placing them on a more stable future.

Thank you,

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# Meet your new Treasurer



## MDRA Board of Directors- Treasurer

Nick Heider  
Public Deputy- City of Wayzata

My name is Nick Heider and I am currently the Motor Vehicle Manager for the City of Wayzata. I grew up in the City of Fridley, Minnesota and am currently a resident of the City of Shakopee. I have a wife and three younger children, who are always keeping me busy. I began college at North Hennepin Community College where I earned my Liberal Arts Degree. I then completed a four-year Business Administration Degree at Hamline University.

During high school and college, I began working at the Brookdale Service Center for Hennepin County as a Service Center Representative. I was then transferred to the Ridgedale Service Center where I became a Senior Service Center Representative. After 8 years working for Hennepin County, I became the Lead Motor Vehicle Clerk for the City of Golden Valley. In 2013, a great opportunity arrived with the City of Wayzata where I became the Motor Vehicle Manager for the City of Wayzata.

I have worked very hard to be where I am today. As I approach my ninth year as Motor Vehicle Manager, I find myself more dedicated, more devoted and more motivated than I have ever been. I am in constant pursuit of ways and methods to translate this dedication by improving the quality of my own registrars work and adding new business to my department. I have always labelled myself as a professional and am always keen to stay on top of my tasks. I am perfectly comfortable facing new challenges and ready to step in to handle new duties at any moment.

Thank you for allowing me to serve as your treasurer.  
Nick Heider



# DVS Update

by Beckey Mechtel

## 2021 in Review

The partnership between DPS-DVS, deputy registrars and driver's license agents in 2021 resulted in many improvements to the way we deliver services.



### System Improvements

DPS-DVS successfully implemented the second phase of MNDRIVE on Oct. 4, 2021. This moved International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP) transactions from the Explore system to MNDRIVE and e-Services for Business. Input from Prorate deputy registrars and motor carrier subject matter experts helped ensure a smooth transition. The Prorate deputy registrars and the MNDRIVE team continue to look for opportunities to improve the user experience.

Other system improvements included the addition of more pre-populated motor vehicle forms in MNDRIVE based on deputy registrar suggestions. These forms reduce the chance for errors and are more efficient for deputy registrars and customers. DPS-DVS also implemented automatic approval of certain title transactions in MNDRIVE at the request of deputy registrars. This process was recently updated to prevent issues with NMVTIS.

Deputy registrars should contact MDRA or DRBOA if they have an idea for a MNDRIVE enhancement. Representatives meet monthly with DPS-DVS to discuss potential changes or enhancements. Notable ideas presented by this group include linking personal accounts in MNDRIVE to prevent self-lookups and the electronic records access log that eliminated the need for a paper log.

DPS-DVS also launched pre-verification of proof of identity and residency documents in 2021, reducing the number of customer office visits due to incomplete or incorrect documents. This is part of the online pre-app service.

### Driver Services

DPS-DVS was able to reopen exam stations closed in 2020 due to COVID-19. More than half of the exam stations were open for business by the end of December and all exam stations were open by the end of January.

Legislation in 2021 also saw the implementation of the:

- \$20 no show fee for drivers who fail to show for their scheduled road test.
- No-fee ID card for homeless youth.
- New photo variance process for the homebound.

Keeping deputy registrars and driver's license agents aware of these changes and what that means to the services they provide is a top priority for DPS-DVS. We continue to look for ways to improve communication and solicit feedback.

### Deputy Registrar Support

The motor vehicle liaisons were able to resume on-site visits to deputy registrar offices after a pause of more than a year. The visits are an opportunity for the liaisons to strengthen their relationship with deputy registrar staff, better understand individual office operations and their challenges, and provide in-person support. During the year, they were able to maintain email support, usually responding to deputy registrar questions within a day.

The DPS-DVS deputy registrar audit unit strengthened and improved audit processes, creating an auditing email box specifically for audit questions and developing frequently asked questions related to reporting and audit processes.

### What's Next in 2022

**EVTR:** Participation in the electronic vehicle title and registration (EVTR) program grew throughout 2021. This partnership between dealers, deputy registrars and DPS-DVS streamlines the title application process and improves efficiencies. In 2001 we saw the percentage of titles issued through EVTR grow from one percent to 14 percent. We plan for even greater participation in 2022 and see this as an opportunity to improve the timeliness of title issuance.

**No-fee ID for Homeless Youth.** The 2018 Minnesota Homeless Study conducted by Wilder Research in 2018 estimated that 13,300 Minnesota youth experience homelessness over the course of a year. The lack of a state issued ID can affect access to services, housing, and jobs. DPS-DVS will be raising awareness of this important service over the next several months.

**Electronic Lien:** This project will allow lenders to file lien notifications and releases electronically. Watch for more information about this project in the weeks ahead.

**Registration Kiosks and Over the Counter Issuance of Driver's Licenses.** DPS-DVS is working with deputy registrars and driver's license agents to implement these pilot projects in 2022. Information will be shared as it becomes available.

This year is shaping up to be an exciting one for us all and we look forward to our continued partnership.



# MDRA MISSION STATEMENT

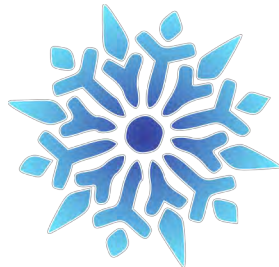
The Minnesota Deputy Registrars Association (MDRA) is a statewide membership organization promoting common interests of deputy registrars in providing professional licensing service to the public and liaison to the state.

FEB

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## Board of Director Advisors

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We're on Facebook



Check us out!

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