

SF2983 - 0 - North Minneapolis Service Center Deputy Registrar

Chief Author: **Bobby Joe Champion**
 Committee: **Transportation**
 Date Completed: **3/21/2023 12:45:59 PM**
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 3/21/2023 12:45:59 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Restrict Misc. Special Revenue						
Expenditures	-	29	16	16	16	16
Absorbed Costs	-	(29)	(16)	(16)	(16)	(16)
Total	-	-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total				-		-

Bill Description

Establishes a second deputy registrar location for Hennepin County in North Minneapolis. This would add vehicle services to an existing office that currently only provides driver's license services

Assumptions

Assume 40 hours of system upgrades at \$200 per hour totaling \$8,000 by FAST to MNDrive to create a new deputy office location. Assume programming costs to be absorbed by the DVS technology account.

Assume \$8,004.50 in initial inventory supplied to the office. Inventory would include various plates, stickers and a bundle of duplicate title stock to have on hand.

Assume effective date of August 1. Assume initial inventory will cover the office needs for the first month and monthly inventory amounts will be delivered thereafter.

Assume an additional \$1,321.14 per month in inventory supplied to the proposed location including double plates, single plates, and various registration stickers.

Assume the total cost of inventory for the proposed location for FY24 would be \$21,215.90 (\$8,004.50 initial order + (\$1,321.14 monthly order x 10 months = \$13,211.40) = \$21,215.90.

Assume the total cost of inventory for FY25 and beyond will be \$15,853.68 (\$1,321.14/month x 12 months = 15,853.68).

Assume the initial and ongoing inventory costs are absorbed as DVS currently provides inventory to all deputy registrars as part of normal operations. Assume no additional expenditures are required to provide stock to the new deputy registrar office.

Assume 40 hours monthly by a Business Liaison (SPA-Tech Spec) for transaction audits and corrections, site visits, performance reviews, communication/procedure calls, chat corrections, emails, classroom training, training on reporting, depositing, inventory, report corrections and various start up tasks within the first six months. Assume this will be absorbed as part of existing job duties by current staff.

Assume after the first six months, a Business Liaison will provide ongoing support to the office approximately 20 hours per

month. Assume this will be absorbed as part of existing job duties by current staff.

Assume the proposed location does not meet the proximity rules in Minnesota Rules Chapter 7406.0300, subparts 1A, 1a, A, 2A, and Minnesota Rules Chapter 7404.0300, subparts 3A, 4A, and 5A.

Assume there are 16 other locations within 11.04 miles of the proposed location; 7 offices are county run, 7 are city run and 2 are privately owned. Assume based on existing transaction counts at these other 16 locations, many offices do not meet the minimum number of required transactions to operate as a metropolitan county deputy registrar under Minnesota Rules Chapter 7404.0300. Assume the opening of an additional location would reduce the transaction counts at existing deputy registrars in the same area.

Assume under existing rules, this deputy registrar office would not be approved due to its proximity to other deputy registrars, but this bill would override the rule.

A deputy registrar site is not operated or staffed by Driver and Vehicle Services.

Expenditure and/or Revenue Formula

FY24

Expenditures

Driver and Vehicle Services Technology Account

\$8,000 programming costs (absorbed)

Vehicle Services Operating Account

Initial inventory = \$8,004.50

Monthly inventory (10 months) = \$13,211.40

Total Expenditures VSOA FY24 = \$21,215.90

FY25

Expenditures

Vehicle Services Operating Account

Monthly Inventory (12 months) = \$15,853.68

Total Expenditures VSOA FY25 = \$15,853.68

Long-Term Fiscal Considerations

Local Fiscal Impact

Assume adding a new deputy registrar within 11 miles of the 14 other deputy registrars run by local units of government will result in decreased transactions for those offices. Assume the new deputy registrar office will be run by Hennepin County. Because deputy registrars are paid with filing fees on transactions they complete, assume this new office will result in decreased revenue to existing deputy registrars within the 11 mile radius and increased revenue for Hennepin County.

References/Sources

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