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Committee on Transportation
Thursday, January 26, 2012
1:00 PM, Room 123, Capitol

Minutes

Present: Senator Joe Gimse, Chair, Senator John Howe, Vice-Chair, Senator Al DeKruif, Senator D. Scott Dibble, Senator Paul E. Gazelka, Senator Amy T. Koch, Senator Benjamin A. Kruse, Senator Ted H. Lillie, Senator Tony Lourey, Senator Mike Parry, Senator Roger J. Reinert, Senator Katie Sieben, Senator Pam Wolf

Absent: Senator Ann H. Rest, Senator Kathy Sheran

Senator Joe Gimse called the meeting to order at 1:00PM.

Senator Rest and Senator Sheran were excused.

Minnesota Department of Transportation
*** 2011 November Forecast Transportation Funds - update**

MnDOT's Chief Financial Officer, Tracy Hatch, presented the MnDOT 2011 November Forecast Transportation Funds. MnDOT's FY2013 forecast fund balance is $203 million which is up $137 million from the EOS forecast.

Minnesota Department of Transportation
*** Contractor claims process - update**

The MnDOT contractor claims process update was given by Jon Chiglo, MnDOT's Engineering Services Division Director. MnDOT's overview of the contractor claims process informed us that 165 projects from the statewide suspension claims have been impacted thus far with 29 claims being resolved. In addition, Tim Worke, with the Associated General Contractors, and Lori O'Malley, from O'Malley Construction/Associated General Contractors gave an overview of how unprocessed claims from the July Government Shutdown have affected them.

Minnesota Department of Public Safety
*** Minnesota Licensing and Registration System (MNLARS) - update**

Patricia McCormick, the Division of Vehicle Services Director, and Mary L. Deputy Commissioner, gave an update on the DPS Minnesota Licensing and Registration System (MNLARS). They went over the the DVS annual overview, MNLARS background, what would happen in the DVS systems failed, what would happen with the implementation of MNLARS, MNLARS benefits, the stages to implement MNLARS, current support projects for MNLARS, and MNLARS funding.

MNLARS is a system that proposes to increase data integrity and system security; increase fraud prevention; improve accessibility of information for business partners and customers, improve support for law enforcement, deputy registrars, driver's license agents, and other DVS business partners; improve timeliness of service; and increase customer convenience.

MNLARS is a work in progress that is overseen by the DPS and is a project of the division of Driver and Vehicle Services (DVS). When finished, MNLARS will provide an efficient and secure system for DVS transactions. In addition, MNLARS replaces the core functionality for the following DVS operations: driver's licensing, title and registration, driver compliance, dealer licensing and inspection, inventory, and finance and records.

The meeting was adjourned at 2:32PM.

Senator Joe Gimse, Chair

Crystal Nibbe, Legislative Assistant

MNLARS

Licensing and Registration System

Status Report

Senate Transportation Committee
January 26, 2012

MNLARS is a project of the division of Driver and Vehicle Services (DVS).

When finished, MNLARS will provide an efficient, secure system for DVS transactions.

MNLARS replaces the core functionality for the following DVS operations:

- Driver's Licensing
- Title and Registration
- Driver Compliance
- Dealer Licensing & Inspection
- Inventory
- Finance & Records

DVS Annual Overview

- State revenue collected: $950 million
- Vehicle titles issued: 1.3 million
- Vehicle registrations issued: 4.6 million
- DL/ID cards issued: 1.6 million
- Customer contacts: 1.1million +
- Web user transactions: 375,000
- Existing system interfaces: approx. 63
- Regular interaction with citizens, law enforcement, courts, state and federal agencies

MNLARS Background

In March of 2007, the Office of Enterprise Technology (OET) conducted a systems readiness analysis for DVS.

OET found that:

- DVS business processes and systems are significant, highly visible government activities
- Platforms, database, applications and access controls are not sound
- DVS should limit investments in current technologies to critical needs
- DVS needs redesigned set of processes and systems – fixing the current systems was not a viable long term strategy

At Risk If DVS Systems Fail

- Data Security – non public data at risk
- Data Access – inconsistent and unreliable
- Transaction information – inefficient transfer of data, possible loss of data
- State laws/Federal mandates – inability to implement without jeopardizing overall system integrity
- System Support – limited support for law enforcement and other DVS business partners
- Potential loss of close to $1 billion in annual state revenue

MNLARS Implementation Will...

- Increase data integrity and system security
- Increase fraud prevention
- Improve accessibility of information for business partners and customers
- Improve support for law enforcement, deputy registrars, driver's license agents, and other DVS business partners
- Improve timeliness of services
- Increase customer convenience

MNLARS Added Value

- Simplified or automated data collection activities
- Standardize processes
- Reduced process times through reduced paperwork and paper flow
- Potential for expanded customer service options and web-based services
- Improved document management capabilities
- Improved reporting capabilities

MNLARS Approach

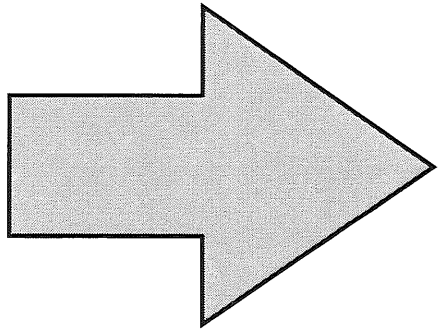
- Stage I - Completed
  04 – 09/2009
  - Focus: Procurement of Functional Requirements Vendor
  - Support Projects
- Stage II A – Completed
  10/2009 – 05/2010
  - RFI
  - RFP creation for System Vendor
  - Support Projects
- Stage II B – Completed
  6/2009 – 12/2010
  - Evaluation and scoring of the proposals
  - Support Projects
- Stage II C – Ongoing
  1/2011 – Spring 2012
  - Vendor negotiations
  - Support Projects
- Stage III – Future
  Spring 2012 – 2016
  - Design, build, implementation of MNLARS
  - Transition support to state staff
- Stage IV - Future
  - Operations and support

Current Support Projects Critical for MNLARS Success

- Data Cleanup – in process:
  - Identify all data stores
  - Document data information
  - Capture all business and compliance rules
- Operations Improvements – in process:
  - New ticketing and problem management system
  - Customer self-service ticketing
  - Knowledge management for Operations
  - Develop electronic forms library
- ELearning – establish standard and templates
  - Staff and business partners

MNLARS Funding

- The $1.75 technology surcharge currently charged on most motor vehicle and driver's license transactions continues through June 30, 2012.
- The technology surcharge will be reduced to $1 on July 1, 2012, and extended through June 30, 2016.
- Effective July 1, 2011 the $1.50 filing fee increase on motor vehicle transactions processed through DVS will go to the DVS technology account. *(Deputy registrars, of course, keep the entire filing fee for transactions processed through their offices.)*
- In fiscal year 2013, there will be a onetime transfer of $7.1 million from DVS special revenue accounts to the DVS technology account.



training
demonstration
data
vendor
procedures
status
software
MNLARS
development
architecture
Q & A
security
testing
interface
systems
effort