

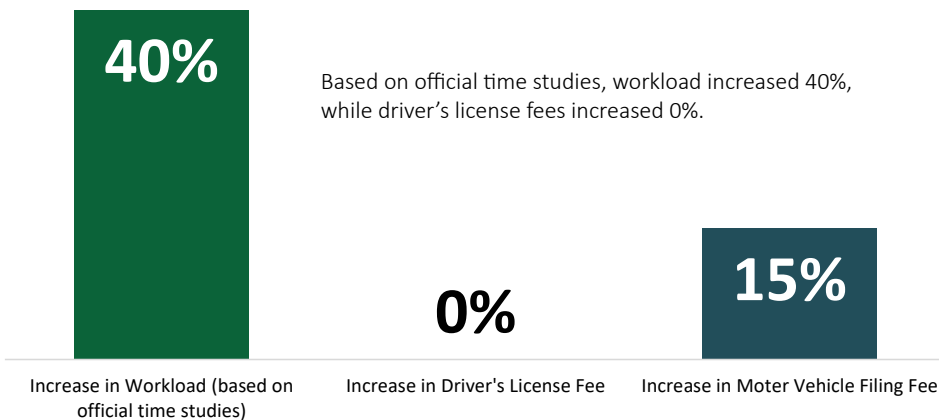
# Licensing Service Fees

Washington County supports legislation to increase the fees retained by deputy registrars for completing license transactions. Alternatively, Washington County supports legislation that authorizes deputy registrars to establish their own service fee for license transactions.

## Issue At-A Glance

- The deputy registrar portion of driver’s license and motor vehicle fees are set by statute and, without legislative action, it cannot be increased.
- Since 2017, the implementation of two new statewide systems and the requirement to process Enhanced and Real ID compliant driver’s licenses has increased the costs of license center operations by moving data entry from the state to the deputy registrar offices, requiring additional background checks for employees, and increasing transaction times by nearly 40%.
- Prior to the arrival of COVID-19, the license and service centers managed by Washington County processed 300,000 transactions annually on behalf of the state; approximately 18,000 of these are no- fee transactions for driver’s license and motor vehicle services, such as motor vehicle sticker address changes, driver’s license status updates, and disability certificates. The onset of COVID-19 has reduced the number of transactions that are able to be completed per hour per day. This reduction in transactions has further impacted the need for fee increases to cover the costs of providing motor vehicle transactions.
- The county is not required to provide deputy registrar services, and without funding adequate to cover associated costs, the services may be discontinued.

## Motor Vehicle & Driver’s License Increases Since July 2017



## Contact

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## Support

Support will come from the Minnesota Deputy Registrars Association and the Minnesota Association of County Officers.

## Previous Consideration

The County Board has a long history of supporting legislation that provides local taxpayer protection and allows the county to deliver high quality core services.

- 2017: Legislature considered deputy registrar fee increases for Real ID costs; no increase approved
- 2019: Legislature authorized one-time state funding to reimburse deputy registrars for expenses related to MNLARS and increased the deputy registrar portion of the motor vehicle fee by 15%, which does not fully fund the increased costs
- 2020-2021: legislation to increase deputy registrar fees re-introduced, not considered due to priorities concerning COVID-19

## No Action

If no action is taken, the County Board will need to provide ongoing levy support for license services or eliminate this core function.

## Financial Implications

Increasing the fee for service retained by the deputy registrar to a level that is adequate to offset costs will allow the county to continue to provide state licensing services.