



Licensing Service Fees

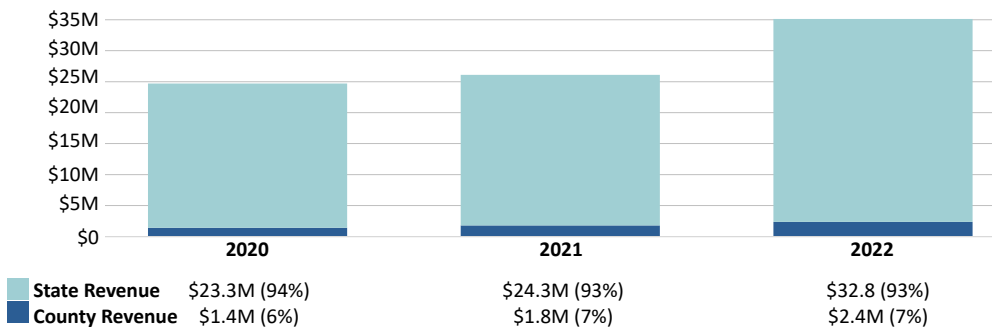
Washington County requests legislation to ensure the fees retained by deputy registrars for completing license transactions are sufficient to fund associated costs.



Issue At-A-Glance

- The deputy registrar portion of the license fee is set by statute, and without legislative action, it cannot be increased to provide adequate funding for the staff time and other associated expenses deputy registrars incur when performing state services.
- Since 2017, the implementation of new statewide systems and license processes have increased the cost of license center operations by moving data entry from the state to the deputy registrars offices, requiring additional background checks for employees, and increasing transaction times by more than 40%. Deputy registrar offices have seen a 0% increase in driver's license fees collected to offset these costs.
- Washington County license centers complete over 250,000 transactions on behalf of the state annually resulting in over \$30 million collected for the state and \$2 million collected for Washington County. See chart below.

State Revenue vs. County Revenue



Support

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

Previous Consideration

Several previous requests have been submitted in prior years with no success. In 2022, the legislation was considered, but not passed prior to the end of the session.

No Action

The county reduced hours in 2022 due to lack of funding, but the service is still operating at a loss. If no action is taken, the county will need to further reduce service.

Financial Implications

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

