

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 3133

(SENATE AUTHORS: NEWMAN)

DATE	D-PG	OFFICIAL STATUS
03/08/2018	6367	Introduction and first reading Referred to Transportation Finance and Policy
03/12/2018	6408a	Comm report: To pass as amended and re-refer to Finance
03/14/2018	6439a	Comm report: To pass as amended
	6479	Second reading
03/15/2018	6532	Motion did not prevail for Urgency, Rules Suspension, Third Reading and Final Passage
03/19/2018		Special Order: Amended Third reading Passed

1.1 A bill for an act

1.2 relating to public safety; requiring the legislative auditor to appoint an information

1.3 technology auditor to conduct an assessment of MNLARS; establishing a MNLARS

1.4 steering committee; appropriating money.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **INFORMATION TECHNOLOGY AUDITOR; MNLARS ASSESSMENTS.**

1.7 Subdivision 1. **Appointment.** The legislative auditor must appoint an information

1.8 technology auditor to actively monitor and report on the development and implementation

1.9 of the Minnesota Licensing and Registration System (MNLARS). At a minimum, the person

1.10 appointed to this position must have expertise in .NET coding.

1.11 Subd. 2. **Duties.** (a) The information technology auditor must conduct an assessment of

1.12 MNLARS. The assessment must be provided to the MNLARS Steering Committee upon

1.13 completion. At a minimum, the assessment must include:

1.14 (1) a technical assessment of the MNLARS system;

1.15 (2) an assessment of the feasibility of the MNLARS Project Roadmap proposed in

1.16 January 2018, and any new or updated project roadmaps;

1.17 (3) an assessment of estimated funding needs for the continued development, operations,

1.18 and maintenance of the MNLARS system; and

1.19 (4) an assessment of process changes and business flows for auto dealers and deputy

1.20 registrars.

1.21 (b) The information technology auditor must make quarterly reports to the MNLARS

1.22 Steering Committee, established in section 2, on:

2.1 (1) whether the commissioner of public safety and the chief information officer are in
 2.2 compliance with the plans required in section 2, subdivision 4; and

2.3 (2) whether the commissioner of public safety and the chief information officer are
 2.4 meeting the deadlines and performance measures in the timeline required in section 2,
 2.5 subdivision 4.

2.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.7 Sec. 2. **MNLARS STEERING COMMITTEE; QUARTERLY FUNDING REVIEW.**

2.8 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 2.9 the meanings given.

2.10 (b) "Committee" means the MNLARS Steering Committee established in this section.

2.11 (c) "Commissioner" means the commissioner of management and budget or the
 2.12 commissioner's designee.

2.13 (d) "MNLARS" means the Minnesota Licensing and Registration System developed by
 2.14 the Department of Public Safety and the Office of MN.IT Services.

2.15 (e) "Information technology auditor" means the individual appointed by the legislative
 2.16 auditor pursuant to section 1, subdivision 1.

2.17 (f) "Quarter" means a three-month period starting on July 1, October 1, January 1, and
 2.18 April 1, in fiscal year 2019.

2.19 Subd. 2. **Meetings.** (a) The senate chair of the committee with jurisdiction over
 2.20 transportation finance must convene the initial meeting of the committee by May 1, 2018.

2.21 (b) The chairs of the house of representatives and senate committees with jurisdiction
 2.22 over transportation finance serve as cochairs of the committee.

2.23 (c) The committee must meet, at a minimum, once each quarter. The committee must
 2.24 review the report from the information technology auditor.

2.25 (d) The committee is subject to Minnesota Statutes, section 3.055, except that a member
 2.26 may vote by submitting a written statement indicating what recommendation the member
 2.27 makes, as provided in subdivision 5. This written statement must be treated in the same
 2.28 manner as the votes of the members present at the meeting. The notice must be submitted
 2.29 to all members prior to the start of the meeting where the vote will take place.

2.30 (e) The Legislative Coordinating Commission must provide meeting space and
 2.31 administrative services for the committee.

3.1 Subd. 3. **MNLARS Steering Committee.** (a) The committee is made up of the following
3.2 members:

3.3 (1) the senate majority leader, or a senator appointed by the majority leader;

3.4 (2) the chair and ranking minority member of the senate committee with jurisdiction
3.5 over transportation finance;

3.6 (3) the speaker of the house of representatives, or a member of the house of
3.7 representatives appointed by the speaker; and

3.8 (4) the chair and ranking minority member of the house of representatives committee
3.9 with jurisdiction over transportation finance.

3.10 Subd. 4. **Plans; timeline; performance measures; reports.** (a) By May 15, 2018, the
3.11 commissioner of public safety and the state chief information officer must submit to the
3.12 committee:

3.13 (1) a proposed progress timeline for the development and implementation of MNLARS
3.14 that includes specific deadlines and performance measures that must be met quarterly;

3.15 (2) a plan for user acceptance testing, including metropolitan and out-state deputy
3.16 registrars and auto dealers, to the extent such testing is deemed feasible by the Minnesota
3.17 Deputy Registrar's Association and the Minnesota Automobile Dealer's Association;

3.18 (3) a plan for system stakeholder input on code releases to the MNLARS system;

3.19 (4) a proposed communications plan for transparent reporting on outages and slowdowns
3.20 to system stakeholders, including how to provide timely information in a usable format,
3.21 actions taken in response to communication, and responses from the Department of Public
3.22 Safety and the Office of MN.IT Services;

3.23 (5) a proposed communications plan for postrelease reporting on features and fixes to
3.24 system stakeholders; and

3.25 (6) a proposed plan for creating greater efficiencies and streamlining the vehicle title
3.26 process to reduce the current backlog and to minimize any future backlogs.

3.27 (b) At a minimum, the performance measures required in the timeline must provide
3.28 specific metrics to monitor MNLARS development and implementation activities, including
3.29 measures of:

3.30 (1) the extent to which MNLARS defects have been resolved;

3.31 (2) the extent to which gaps in MNLARS functionality have been resolved;

4.1 (3) improvements in the ability of MNLARS users to edit transactions;

4.2 (4) reduction in the backlog of vehicle titles;

4.3 (5) the extent of errors in driver or vehicle transactions;

4.4 (6) system performance, including the extent of any slowdowns, outages, or other system
4.5 performance issues; and

4.6 (7) customer service responsiveness, which may include the number of phone calls and
4.7 e-mails from the general public and stakeholders, and the timeliness of inquiry responses.

4.8 (c) The committee must review the proposed timeline and plans. The committee may
4.9 request that the commissioner of public safety and the state chief information officer make
4.10 changes to the timeline and plans. By June 1, 2018, the committee must approve a timeline
4.11 and plans. The cochairs must transmit copies of the timeline and plans to the information
4.12 technology auditor.

4.13 (d) Between 20 and 30 days before the start of each quarter, the commissioner of public
4.14 safety and the state chief information officer must each submit a report to the committee
4.15 on the progress of the performance measures identified in paragraph (b). Between 20 and
4.16 30 days before the start of each quarter, the Minnesota Deputy Registrar's Association and
4.17 the Minnesota Automobile Dealer's Association are each encouraged to submit a report to
4.18 the committee on the progress of the relevant performance measures identified in paragraph
4.19 (b).

4.20 Subd. 5. **Review of MNLARS appropriation.** (a) Funds appropriated to the Department
4.21 of Public Safety for MNLARS are divided into four equal quarters. The commissioner must
4.22 allot a quarter of the funds on July 1, October 1, January 1, and April 1, unless directed
4.23 otherwise by the committee as provided in this section. Twenty days prior to the start of a
4.24 quarter, the commissioner must submit the proposed funding allotment to the members of
4.25 the committee for review and recommendation. The commissioner of public safety and the
4.26 state chief information officer must provide information to the committee to enable the
4.27 committee members to determine whether the deadlines and performance measures have
4.28 been met for the quarter. The committee members have 20 days from the receipt of the
4.29 proposal to determine whether the Department of Public Safety and the Office of MN.IT
4.30 Services have met the deadlines and performance measures established in subdivision 4. If
4.31 no recommendation is made during the 20-day review period, the commissioner may allot
4.32 the quarterly funds to the Department of Public Safety for MNLARS. If a majority of the
4.33 committee members make a negative recommendation based on the failure to meet deadlines
4.34 or performance measures or recommend further review to determine whether deadlines and

5.1 performance measures have been met during the 20-day review period, the committee may
5.2 defer all future payments, slow the next allotment, or condition the next allotment.
5.3 Accordingly, the commissioner must defer, slow, or condition the quarterly funds to the
5.4 Department of Public Safety for MNLARS.

5.5 (b) A committee member, by written notice to the commissioner, may withdraw a
5.6 negative recommendation or a recommendation for further review within 20 days of making
5.7 the recommendation. If a majority of members make a negative recommendation or a
5.8 recommendation for further review, but members subsequently withdraw recommendations
5.9 under this paragraph so that three or fewer recommendations remain, the commissioner
5.10 may allot the quarterly funds to the Department of Public Safety for MNLARS.

5.11 (c) If a quarterly allotment is not made pursuant to paragraph (a), the commissioner must
5.12 allot to the Department of Public Safety an amount sufficient to fund an additional 30 days
5.13 for contracted technical staff working on MNLARS. If negative recommendations or
5.14 recommendations for further review are withdrawn pursuant to paragraph (b) after the partial
5.15 allotment is made under this paragraph, the commissioner must allot the remainder of the
5.16 quarterly allotment.

5.17 Subd. 6. **Resubmission of proposal.** If a proposed allotment receives a negative
5.18 recommendation or a recommendation for further review under subdivision 3, and all of
5.19 the negative recommendations and recommendations for further review are not withdrawn,
5.20 the commissioner may submit proposed legislation to the chairs of the house of
5.21 representatives Ways and Means Committee and the senate Finance Committee for
5.22 consideration during the 2019 legislative session.

5.23 **EFFECTIVE DATE.** This section is effective the day following final enactment and
5.24 applies to any fiscal year 2019 appropriation for MNLARS in this act or any subsequent
5.25 act.

5.26 Sec. 3. **APPROPRIATIONS.**

5.27 (a) \$9,650,000 in fiscal year 2018 is appropriated from the special revenue fund to the
5.28 commissioner of public safety for contracted technical staff and technical costs related to
5.29 the continued development and improvement of the Minnesota Licensing and Registration
5.30 System (MNLARS). Of this amount, \$2,150,000 is from the vehicle services operating
5.31 account and \$7,500,000 is from the driver services operating account. These are onetime
5.32 appropriations.

5.33 The appropriation in this paragraph may be expended only for:

6.1 (1) contracts for the performance of software development on the vehicle services
6.2 component of MNLARS; and

6.3 (2) technology costs.

6.4 The appropriation in this paragraph must not be spent on:

6.5 (1) additional full or part-time employees employed by the Department of Public Safety;

6.6 or

6.7 (2) an audit, evaluation, or assessment of the feasibility of a proposed plan to resolve
6.8 defects and implement all functionality conducted by the Department of Public Safety or
6.9 the Office of MN.IT Services or an entity hired by the Department of Public Safety or the
6.10 Office of MN.IT Services.

6.11 (b) \$100,000 in fiscal year 2018 and \$250,000 in fiscal year 2019 are appropriated to
6.12 the Office of the Legislative Auditor from the vehicle services operating account in the
6.13 special revenue fund for the information technology auditor position established in section
6.14 1. This is a onetime appropriation.

6.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.