

SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 621

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DATE	D-PG	OFFICIAL STATUS
01/28/2019	194	Introduction and first reading Referred to Transportation Finance and Policy
03/07/2019	654a	Comm report: To pass as amended and re-refer to Finance
03/13/2019	869	Withdrawn and re-referred to Judiciary and Public Safety Finance and Policy
03/18/2019	990a	Comm report: To pass as amended and re-refer to Finance
03/20/2019	1058	Comm report: To pass
	1059	Second reading
03/21/2019	1239	Special Order
	1239	Third reading Passed

1.1 A bill for an act

1.2 relating to transportation; appropriating money for certain reimbursements to

1.3 deputy registrars.

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

1.5 Section 1. **DEPUTY REGISTRAR REIMBURSEMENTS.**

1.6 Subdivision 1. **Appropriation.** (a) \$13,000,000 in fiscal year 2019 is appropriated from

1.7 the general fund to the commissioner of management and budget for reimbursement grants

1.8 to deputy registrars as provided in this section. This is a onetime appropriation and is

1.9 available until July 15, 2019.

1.10 (b) The commissioner must use existing resources to administer the reimbursements.

1.11 Subd. 2. **Eligibility.** A deputy registrar office operated by the state is not eligible to

1.12 receive funds under this section.

1.13 Subd. 3. **Grant calculation.** (a) The reimbursement grant to each deputy registrar, as

1.14 identified by the Driver and Vehicle Services-designated office location number, is calculated

1.15 as follows:

1.16 (1) ten percent of available funds allocated equally among all deputy registrars;

1.17 (2) 45 percent of available funds allocated proportionally based on (i) the number of

1.18 transactions where a filing fee under Minnesota Statutes, section 168.33, subdivision 7, is

1.19 retained by each deputy registrar from August 1, 2017, through December 31, 2018,

1.20 compared to (ii) the total number of transactions where a filing fee is retained by all deputy

1.21 registrars during that time period; and

2.1 (3) 45 percent of available funds allocated proportionally based on (i) the number of
2.2 transactions where a filing fee is retained by each deputy registrar from July 1, 2014, through
2.3 June 30, 2017, compared to (ii) the total number of transactions where a filing fee is retained
2.4 by all deputy registrars during that time period.

2.5 (b) For a deputy registrar appointed after July 1, 2014, the commissioner of management
2.6 and budget must identify whether a corresponding discontinued deputy registrar appointment
2.7 exists. If a corresponding discontinued deputy registrar is identified, the commissioner must
2.8 include the transactions of the discontinued deputy registrar in the calculations under
2.9 paragraph (a) for the deputy registrar appointed after July 1, 2014.

2.10 (c) For a deputy registrar appointed after July 1, 2014, to which paragraph (b) does not
2.11 apply, the commissioner of management and budget must calculate the deputy registrar's
2.12 proportional share under paragraph (a), clause (3), based on the average number of
2.13 transactions where a filing fee is retained among the deputy registrars, as calculated excluding
2.14 any deputy registrars for which this paragraph applies.

2.15 (d) In the calculations under paragraph (a), the commissioner of management and budget
2.16 must exclude transactions for a deputy registrar office operated by the state.

2.17 Subd. 4. **Grant distribution.** (a) Within 30 days of the enactment date of this act, the
2.18 commissioner must notify each deputy registrar of the amount of the reimbursement grant
2.19 the deputy registrar is eligible to receive under this section. In order to receive the
2.20 reimbursement grant, the deputy registrar must:

2.21 (1) request the disbursement of the reimbursement grant to the deputy registrar; and

2.22 (2) agree to release and hold harmless the state and its employees from any liability or
2.23 claim arising from the development and deployment of the Minnesota Licensing and
2.24 Registration System (MNLARS) including: (i) a claim under Minnesota Statutes, section
2.25 3.732, or (ii) any claim or action before a court or administrative agency.

2.26 (b) The request and release agreement must be submitted on a form developed by the
2.27 commissioner and must be submitted on or before June 30, 2019. The commissioner must
2.28 disburse the reimbursement grant to the deputy registrar within five business days of receiving
2.29 the request and release agreement.

2.30 (c) Any funds not disbursed after the initial grants are disbursed must not be distributed
2.31 and must cancel back to the general fund.

2.32 Subd. 5. **State liability limitations.** The creation or payment of reimbursement grants
2.33 under this section is not: (1) an admission of liability by the state or its employees for any

3.1 act or omission arising from the development and deployment of MNLARS; and (2)
3.2 admissible in a judicial or administrative proceeding to establish liability or a legal duty.

3.3 Subd. 6. **Indemnification.** (a) The state shall defend, save harmless, and indemnify any
3.4 deputy registrar acting in good faith and in their official capacity pursuant to Minnesota
3.5 Statutes, chapter 168, against any claim or demand related to transactions completed by
3.6 MNLARS or transactions that could not be completed because MNLARS lacked the
3.7 functionality to complete the transaction for: (1) reasonable expenses, (2) reasonable attorney
3.8 fees, and (3) judgments and fines. This subdivision does not apply to acts constituting willful
3.9 or wanton misconduct.

3.10 (b) The deputy registrar must cooperate with the state to the fullest extent possible in
3.11 the investigation, preparation, or defense of a claim or demand subject to paragraph (a). A
3.12 deputy registrar must notify the state as soon as possible of any potential or pending litigation
3.13 subject to paragraph (a).

3.14 **EFFECTIVE DATE.** (a) Subdivisions 1 to 5 are effective the day following final
3.15 enactment.

3.16 (b) Subdivision 6 is effective the day following final enactment and applies to causes
3.17 of action arising on or after July 1, 2017, but before January 1, 2022.