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State of Minnesota
HOUSE OF REPRESENTATIVES
Unofficial Engrossment
House Engrossment of a Senate File

S. F. No. 3133

NINETIETH SESSION

03/19/2018 Companion to House File No. 3724. (Authors:Torkelson)
Read First Time
R/S Rules Suspended, urgency declared
Read for the Second Time
Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
03/21/2018 Refused to concur and a Conference Committee was appointed

1.1 A bill for an act
1.2 relating to public safety; establishing certain requirements with respect to the
1.3 development and implementation of the Minnesota Licensing and Registration
1.4 System; appropriating money; requiring a report.

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

1.6 Section 1. **MNLARS SUPPLEMENTAL APPROPRIATION; IMPLEMENTATION**
1.7 **REQUIREMENTS.**

1.8 Subdivision 1. Supplemental appropriations. (a) The following amounts are
1.9 appropriated in fiscal year 2018 to the commissioner of public safety to develop, deploy,
1.10 operate, and maintain the driver and vehicle information system known as the Minnesota
1.11 Licensing and Registration System (MNLARS):

1.12 (1) \$7,500,000 from the driver services operating account in the special revenue fund;
1.13 and

1.14 (2) \$2,500,000 from the vehicle services operating account in the special revenue fund.

1.15 (b) The appropriations in this subdivision must be expended only in the specified amounts
1.16 for the following purposes:

1.17 (1) \$551,000 for driver and vehicle services staffing, to perform general duties and
1.18 functions of driver and vehicle services;

1.19 (2) \$694,000 for driver and vehicle services staffing, to support development and
1.20 implementation activities of the contracted driver services component of MNLARS;

2.1 (3) \$195,000 for driver and vehicle services business costs, to expand customer service
2.2 and public information center capacity through additional staff and associated hardware
2.3 and software equipment;

2.4 (4) \$4,776,000 for contracting, to perform software development on the vehicle services
2.5 component of MNLARS;

2.6 (5) \$560,000 for driver and vehicle services staffing, to support ongoing development
2.7 activities of the vehicle services component of MNLARS;

2.8 (6) \$624,000 for Office of MN.IT Services staffing, to support ongoing development
2.9 activities of the vehicle services component of MNLARS; and

2.10 (7) \$2,599,000 for technology costs, which consists of:

2.11 (i) \$100,000 for user authentication and access control management;

2.12 (ii) \$20,000 for testing environment hardware, including servers and data storage;

2.13 (iii) \$650,000 for partial relocation of data from the enterprise data center;

2.14 (iv) \$780,000 for disaster recovery preparedness; and

2.15 (v) \$1,049,000 for contracted software review and software development support services.

2.16 (c) The appropriations in this subdivision are onetime appropriations. Notwithstanding
2.17 Minnesota Statutes, section 16A.28, subdivision 1, the unencumbered balances of the
2.18 appropriations in this subdivision cancel on June 30, 2018, to the driver services operating
2.19 account or the vehicle services operating account, as appropriate.

2.20 **Subd. 2. Executive agency appropriations; targeted reductions; transfer.** (a) By
2.21 October 31, 2018, the commissioner of management and budget must, with the approval of
2.22 the governor and after consulting the Legislative Advisory Commission, reduce general
2.23 fund appropriations for executive agency operating expenditures by \$10,000,000 for the
2.24 biennium ending June 30, 2019. In making reductions, the commissioner must prioritize
2.25 reductions to any increased central operating or administrative expenses within an agency
2.26 that resulted from the enactment of operating adjustments for that agency for the biennium
2.27 ending June 30, 2019, compared to appropriations enacted for the agency for the biennium
2.28 ending June 30, 2017. The commissioner must not reduce appropriations for client-facing
2.29 health care, corrections, public safety, mental health programs, or other services that are
2.30 provided directly to members of the public.

3.1 (b) By June 30, 2018, the commissioner of management and budget must transfer
3.2 \$10,000,000 from the general fund to the driver services operating account in the special
3.3 revenue fund.

3.4 (c) For purposes of this subdivision, "executive agency" has the meaning given in
3.5 Minnesota Statutes, section 16A.011, subdivision 12, and includes constitutional officers.

3.6 Subd. 3. **Project schedule; performance measures.** (a) By the first business day after
3.7 21 days following the effective date of this section, the commissioner of management and
3.8 budget, in consultation with the commissioner of public safety and the state chief information
3.9 officer, must (1) establish a project schedule for the driver and vehicle information system
3.10 known as the Minnesota Licensing and Registration System (MNLARS), with specific
3.11 deadlines and milestones and based on the MNLARS Project Roadmap proposed in January
3.12 2018, and (2) develop performance measures for the MNLARS project.

3.13 (b) At a minimum, the performance measures must provide specific metrics to monitor
3.14 MNLARS development and implementation activities, including measures of:

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

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

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

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

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

3.20 (6) system performance, including the extent of any slowdowns, outages, or other system
3.21 performance issues;

3.22 (7) customer service responsiveness, which may include the number of phone calls and
3.23 e-mails from the general public and stakeholders, and the timeliness of inquiry responses;
3.24 and

3.25 (8) deputy registrar satisfaction.

3.26 (c) The commissioner must submit the performance measures to the members and staff
3.27 of the legislative committees with jurisdiction over transportation policy and finance, state
3.28 government finance, and technology and responsive government.

3.29 (d) The performance measures under this subdivision are not administrative rules and
3.30 are not subject to Minnesota Statutes, chapter 14.

4.1 Subd. 4. **Progress reporting.** (a) On a monthly basis, the commissioner of public safety
4.2 and the state chief information officer must jointly provide progress reports on the Minnesota
4.3 Licensing and Registration System (MNLARS) project. At a minimum, each progress report
4.4 must identify activity and status toward successfully meeting outcomes within the project
4.5 schedule and within the project budget, including but not limited to:

4.6 (1) whether deadlines under the project schedule have been met and, if not, information
4.7 on schedule revisions to meet the deadlines;

4.8 (2) an overview of project activity during the preceding month and the total amount
4.9 spent on each activity;

4.10 (3) information on project staffing and contractors including, separately, the amount
4.11 spent for state employees and the amount spent for private contractors in the preceding
4.12 month, itemized by the number of employees and contractors, the duties of each related to
4.13 the project, and the agency responsible for their work;

4.14 (4) a summary of any new challenges or risks that were identified in the preceding month;

4.15 (5) a summary of any additional or unexpected costs that were identified in the preceding
4.16 month, including a detailed explanation of the costs and why the costs had not been identified
4.17 previously, the source and an itemization of funds expected to be used to cover the costs,
4.18 and the specific steps taken to reduce costs in other project activities to ensure the overall
4.19 project cost remains within the budget appropriated by law;

4.20 (6) details on the status for each performance measure established under subdivision 3;
4.21 and

4.22 (7) a clear statement, signed separately by the commissioner and the state chief
4.23 information officer, that certifies whether, as of the time of the report, the project is on
4.24 schedule and within the budget appropriated by law, and that includes the following: "I
4.25 affirm that the statements submitted to the Legislature in this document are complete and
4.26 truthful to the best of my knowledge."

4.27 (b) The commissioner of management and budget must submit each progress report
4.28 under paragraph (a) to the chairs, ranking minority members, and staff of the legislative
4.29 committees with jurisdiction over transportation policy and finance, state government
4.30 finance, and technology and responsive government.

4.31 (c) The requirements under this subdivision expire upon full implementation of
4.32 MNLARS, which includes but is not limited to resolution of all significant defects,

5.1 implementation of all functionality gaps identified in the project schedule, and
5.2 decommissioning of the legacy driver and vehicle services information technology system.

5.3 Subd. 5. **Request for information.** (a) No later than April 1, 2018, the commissioner
5.4 of public safety must issue a request for information as described in this subdivision. The
5.5 request for information must obtain advice from qualified vendors regarding the feasibility
5.6 of using a private vendor to develop, deploy, and maintain a driver and vehicle information
5.7 system that replaces the system known as the Minnesota Licensing and Registration System
5.8 (MNLARS).

5.9 (b) The request for information must solicit advice on procuring a replacement driver
5.10 and vehicle information system that:

5.11 (1) is cost-effective, reliable, consumer- and user-friendly, and implemented in a timely
5.12 manner; and

5.13 (2) contains functionality that substantially matches the functionality and features of the
5.14 legacy information technology system in place prior to initial implementation of MNLARS.

5.15 (c) The request for information must be designed to obtain implementation information
5.16 that includes:

5.17 (1) feasibility, costs, and a preliminary estimated timeline or schedule for implementation;

5.18 (2) a breakdown of costs and implementation timelines between driver services and
5.19 vehicle services functionality, including costs of integrating a vehicle services information
5.20 system with a separately developed driver services information system; and

5.21 (3) capacity and experience of a potential vendor.

5.22 (d) The request for information under this section must be published in the State Register
5.23 and on the Web site of the Department of Administration at least 14 days prior to closing.

5.24 The request must otherwise be administered according to the requirements of Minnesota
5.25 Statutes, chapter 16C, to the extent applicable, provided that a vendor's submission does
5.26 not constitute a response to a solicitation, as defined in Minnesota Statutes, section 16C.02,
5.27 subdivision 14, and may not be used by the commissioner to enter a contract unless the
5.28 terms of the submission are later included in a vendor's response to a formal solicitation,
5.29 as defined in Minnesota Statutes, section 16C.02, subdivision 7.

5.30 (e) No later than August 1, 2018, the commissioner must submit a report to the chairs,
5.31 ranking minority members, and staff of the legislative committees with jurisdiction over
5.32 transportation policy and finance, state government finance, and technology and responsive

6.1 government, that summarizes the responses received from qualified vendors under this
6.2 section.

6.3 Subd. 6. **REAL ID Act extensions.** The commissioner of public safety must coordinate
6.4 with the governor to seek any extensions available from the United States Department of
6.5 Homeland Security with respect to federal enforcement of the REAL ID Act of 2005, Public
6.6 Law 109-13, Division B. The commissioner must make all feasible efforts to promptly
6.7 obtain extensions.

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