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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 861

- 02/07/2019 Authored by Hansen, Lillie and Bernardy  
The bill was read for the first time and referred to the Committee on Ways and Means
- 02/25/2019 Adoption of Report: Placed on the General Register as Amended  
Read for the Second Time
- 02/28/2019 Calendar for the Day, Amended  
Read Third Time as Amended  
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
- 03/04/2019 Returned to the House as Amended by the Senate  
The House concurred in the Senate Amendments and repassed the bill as Amended by the Senate
- 03/05/2019 Presented to Governor  
Governor Approval

1.1 A bill for an act

1.2 relating to transportation; appropriating money for the Minnesota Licensing and

1.3 Registration System (MNLARS) and Driver and Vehicle Services; requiring a

1.4 report.

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

1.6 Section 1. **DEFICIENCY FUNDING FOR MNLARS AND DRIVER'S LICENSE**

1.7 **SYSTEM; APPROPRIATION.**

1.8 (a) \$11,200,000 in fiscal year 2019 is appropriated from the general fund to the

1.9 commissioner of public safety for the continued development and improvement of the

1.10 Minnesota Licensing and Registration System (MNLARS) and the Driver's License System.

1.11 Of this amount: (1) \$5,500,000 is for Phase 2 of the Driver's License System development

1.12 and implementation, contracting staff and technology costs; and (2) \$5,700,000 is for

1.13 Minnesota Licensing and Registration System development, technology costs, contracts,

1.14 MNLARS development contractors, MNLARS data and tools contractors, business analysts,

1.15 and user acceptance testers. This is a onetime appropriation and is available until June 30,

1.16 2020. This appropriation must not be used for the public information center or for other

1.17 similar customer service functions.

1.18 (b) The appropriation in paragraph (a) is not subject to the appropriation review procedure

1.19 required by Laws 2018, chapter 101, section 4, subdivision 5.

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

2.1 Sec. 2. **DEFICIENCY FUNDING FOR DVS; APPROPRIATION.**

2.2 (a) \$2,000,000 in fiscal year 2019 is appropriated from the general fund to the  
2.3 commissioner of public safety to temporarily increase the capacity of Driver and Vehicle  
2.4 Services to meet the customer service levels needs of business partners and the public. This  
2.5 appropriation is only for work performed or expenses incurred on or before June 30, 2019.  
2.6 This appropriation must be spent to hire temporary or contract employees and equipment  
2.7 and space for these employees. This appropriation must not be spent for permanent state  
2.8 employees.

2.9 (b) This is a onetime appropriation and is available until June 30, 2019.

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

2.11 Sec. 3. **QUARTERLY PROGRESS REPORTS.**

2.12 As part of the quarterly progress reports required by Laws 2018, chapter 101, section  
2.13 2, subdivision 3, the commissioner of public safety and the state chief information officer  
2.14 must report on how the appropriations in sections 1 and 2 have been spent and the plans for  
2.15 how the remaining funds will be spent. The report must include detailed explanation of how  
2.16 the funds were spent, including a line-item breakdown of costs.

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

2.18 Sec. 4. **INDEPENDENT EXPERT REVIEW OF MNLARS; APPROPRIATION.**

2.19 (a) Notwithstanding Minnesota Statutes, chapter 16C, or any law to the contrary, the  
2.20 chair of the Governor's Blue Ribbon Council on Information Technology, established by  
2.21 Executive Order 19-02, must conduct a review of MNLARS as provided by this section.  
2.22 The chair may select two additional people to assist the chair in conducting the review. The  
2.23 commissioner of public safety and the state chief information officer must provide access  
2.24 to MNLARS, including the code, and provide any requested information to the chair.

2.25 (b) By May 1, 2019, the chair must, at a minimum:

2.26 (1) render an independent expert's opinion on:

2.27 (i) whether DPS and MN.IT have the necessary technology, software development  
2.28 processes, and staffing plans to correct all current critical, high, and medium defects and  
2.29 gaps, as identified by external end users, that do not require major architectural changes to  
2.30 MNLARS by the end of calendar year 2019;

3.1 (ii) whether DPS and MN.IT have the necessary technology, software development  
3.2 processes, and staffing plans to fulfill all required back end work, including decommissioning  
3.3 of the legacy system by the end of fiscal year 2021, given full development, operating, and  
3.4 maintenance funding as proposed in the governor's February 2019 budget;

3.5 (iii) whether DPS and MN.IT are poised to successfully deliver all project deliverables  
3.6 on time and on budget by the end of fiscal year 2021; and

3.7 (iv) whether DPS and MN.IT would, or would not, be more apt to succeed in meeting  
3.8 project deliverables and timeframes, within the funding as proposed in the governor's  
3.9 February 2019 budget, by adopting a commercial off-the-shelf software solution or an  
3.10 outsourced service to replace all or part of the MNLARS functionality;

3.11 (2) produce a detailed report of the chair's findings, recommendations, and opinions,  
3.12 including recommendations on whether to outsource all or parts of MNLARS functionality  
3.13 based on information provided pursuant to paragraph (a) and received from private sector  
3.14 entities; and

3.15 (3) provide the report in clause (2) to the chairs and ranking minority members of the  
3.16 house of representatives and senate committees with jurisdiction over transportation finance  
3.17 and policy. This report must also be provided to the legislative auditor.

3.18 (c) \$100,000 is appropriated in fiscal year 2019 from the general fund to the legislative  
3.19 auditor to compensate the chair and the two people appointed by the chair, including  
3.20 reimbursement for expenses, for work completed pursuant to paragraph (a). This is a onetime  
3.21 appropriation.

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