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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **1518**

02/22/2017 Authored by West, O'Neill, Howe and Scott
The bill was read for the first time and referred to the Committee on Transportation and Regional Governance Policy
03/02/2017 Adoption of Report: Re-referred to the Committee on Civil Law and Data Practices Policy
03/13/2017 Adoption of Report: Amended and re-referred to the Committee on Transportation Finance
03/23/2017 Adoption of Report: Placed on the General Register as Amended
Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration
05/22/2017 Pursuant to Joint Rule 3.02(b), returned to the Committee on Transportation Finance

1.1 A bill for an act
1.2 relating to public safety; permitting secure electronic storage of certain records;
1.3 amending Minnesota Statutes 2016, sections 168.33, subdivision 2; 171.061,
1.4 subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2016, section 168.33, subdivision 2, is amended to read:

1.7 Subd. 2. **Deputy registrars.** (a) The commissioner may appoint, and for cause
1.8 discontinue, a deputy registrar for any statutory or home rule charter city as the public
1.9 interest and convenience may require, without regard to whether the county auditor of the
1.10 county in which the city is situated has been appointed as the deputy registrar for the county
1.11 or has been discontinued as the deputy registrar for the county, and without regard to whether
1.12 the county in which the city is situated has established a county license bureau that issues
1.13 motor vehicle licenses as provided in section 373.32.

1.14 (b) The commissioner may appoint, and for cause discontinue, a deputy registrar for any
1.15 statutory or home rule charter city as the public interest and convenience may require, if
1.16 the auditor for the county in which the city is situated chooses not to accept appointment
1.17 as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county
1.18 in which the city is situated has not established a county license bureau that issues motor
1.19 vehicle licenses as provided in section 373.32.

1.20 (c) The commissioner may appoint, and for cause discontinue, the county auditor of
1.21 each county as a deputy registrar.

1.22 (d) Despite any other provision, a person other than a county auditor or a director of a
1.23 county license bureau, who was appointed by the registrar before August 1, 1976, as a

2.1 deputy registrar for any statutory or home rule charter city, may continue to serve as deputy
2.2 registrar and may be discontinued for cause only by the commissioner. The county auditor
2.3 who appointed the deputy registrars is responsible for the acts of deputy registrars appointed
2.4 by the auditor.

2.5 (e) Each deputy, before entering upon the discharge of duties, shall take and subscribe
2.6 an oath to faithfully discharge the duties and to uphold the laws of the state.

2.7 (f) If a deputy registrar appointed under this subdivision is not an officer or employee
2.8 of a county or statutory or home rule charter city, the deputy shall in addition give bond to
2.9 the state in the sum of \$10,000, or a larger sum as may be required by the commissioner,
2.10 conditioned upon the faithful discharge of duties as deputy registrar.

2.11 (g) A corporation governed by chapter 302A or 317A may be appointed a deputy registrar.
2.12 Upon application by an individual serving as a deputy registrar and the giving of the requisite
2.13 bond as provided in this subdivision, personally assured by the individual or another
2.14 individual approved by the commissioner, a corporation named in an application then
2.15 becomes the duly appointed and qualified successor to the deputy registrar.

2.16 (h) Each deputy registrar appointed under this subdivision shall keep and maintain office
2.17 locations approved by the commissioner for the registration of vehicles and the collection
2.18 of taxes and fees on vehicles.

2.19 (i) The deputy registrar shall keep records and make reports to the commissioner as the
2.20 commissioner requires. The records must be maintained at the offices of the deputy registrar
2.21 in a manner that complies with sections 13.05, subdivision 5, and 13.055. As an alternative
2.22 to paper copy storage, a deputy registrar may retain records and documents in a secure
2.23 electronic medium that complies with the security requirements under the United States
2.24 Federal Bureau of Investigation, Criminal Justice Information Services Division, Policy 5.4
2.25 or any successor policy, provided 60 days have elapsed since the transaction and subject to
2.26 standards established by the commissioner. The deputy registrar is responsible for all costs
2.27 associated with the conversion to electronic records and maintenance of the electronic
2.28 storage medium, including the destruction of existing paper records after conversion to the
2.29 electronic format. All queries and responses in the secure electronic medium, and all actions
2.30 in which data are entered, updated, accessed, or shared or disseminated by the deputy
2.31 registrar must be contained in a data audit trail. Data contained in the audit trail are public
2.32 to the extent the data are not otherwise classified under this section. The records and offices
2.33 of the deputy registrar must at all times be open to the inspection of the commissioner or
2.34 the commissioner's agents. The deputy registrar shall report to the commissioner by the

3.1 next working day following receipt all registrations made and taxes and fees collected by
3.2 the deputy registrar.

3.3 (j) The filing fee imposed under subdivision 7 must be deposited in the treasury of the
3.4 place for which appointed or, if not a public official, a deputy shall retain the filing fee, but
3.5 the registration tax and any additional fees for delayed registration the deputy registrar has
3.6 collected the deputy registrar shall deposit by the next working day following receipt in an
3.7 approved state depository to the credit of the state through the commissioner of management
3.8 and budget. The place for which the deputy registrar is appointed through its governing
3.9 body must provide the deputy registrar with facilities and personnel to carry out the duties
3.10 imposed by this subdivision if the deputy is a public official. In all other cases, the deputy
3.11 shall maintain a suitable facility for serving the public.

3.12 Sec. 2. Minnesota Statutes 2016, section 171.061, subdivision 3, is amended to read:

3.13 Subd. 3. **Application.** An applicant may file an application with an agent. The agent
3.14 shall receive and accept applications in accordance with the laws and rules of the Department
3.15 of Public Safety for a driver's license, restricted license, duplicate license, instruction permit,
3.16 Minnesota identification card, or motorized bicycle operator's permit. Application records
3.17 must be maintained at the office of the agent in a manner that complies with sections 13.05,
3.18 subdivision 5, and 13.055. As an alternative to paper copy storage, an agent may retain
3.19 records and documents in a secure electronic medium that complies with the security
3.20 requirements under the United States Federal Bureau of Investigation, Criminal Justice
3.21 Information Services Division, Policy 5.4 or any successor policy, provided 60 days have
3.22 elapsed since the transaction and subject to standards established by the commissioner. The
3.23 agent is responsible for all costs associated with the conversion to electronic records and
3.24 maintenance of the electronic storage medium, including the destruction of existing paper
3.25 records after conversion to the electronic format. All queries and responses in the secure
3.26 electronic medium, and all actions in which data are entered, updated, accessed, or shared
3.27 or disseminated by the agent must be contained in a data audit trail. Data contained in the
3.28 audit trail are public to the extent the data are not otherwise classified under this section.

3.29 Sec. 3. **ELECTRONIC STORAGE STANDARDS.**

3.30 On or before August 1, 2017, the commissioner of public safety shall establish standards
3.31 for the conversion by deputy registrars and driver's license agents to secure electronic storage
3.32 of certain records under Minnesota Statutes, sections 168.33, subdivision 2, and 171.061,
3.33 subdivision 3. The standards must specify minimum system security requirements, as well

- 4.1 as any procedural requirements for the destruction of existing and new paper-based records,
- 4.2 consistent with the requirements of Minnesota Statutes, section 138.17. The authority to
- 4.3 establish or amend standards under this section expires on August 1, 2018.
- 4.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.