



MEETING MINUTES

Name:	Motor Vehicle Registration Compliance Working Group		
Meeting Date:	September 18, 2024	Organizer:	Greg Loper, DVS
Meeting Time:	9:00 – 11:00 am	Location:	WebEx; Town Square Skyway Large Conference Room

Purpose of the Meeting
The purpose of the meeting is for the Motor Vehicle Registration Compliance Working Group to continue learning about registration compliance in Minnesota and other states, and to discuss different collection methods.

Attendance at Meeting					
Invited:	Position:	✓	Invited:	Position:	✓
Greg Loper	Vehicle Services Program Director, DVS		Marcy Coleman	Vehicle Program Manager, American Association of Motor Vehicle Administrators (AAMVA)	
Jason Bartell	Capt., MN State Patrol		Margaret Donahoe	Exec. Dir., MN Transportation Alliance (MTA)	
Frank Douma	Director of State & Local Policy and Outreach, Institute for Urban and Regional Infrastructure Finance [representing Center for Transportation Studies, Univ. of MN]		Wayne Johnson	Commissioner, Otter Tail County [representing Assoc. of MN Counties]	
Josh Knatterud- Hubinger	Chief Financial Officer, MN Dept. of Transportation (MnDOT)		Scott Lambert	Pres., MN Automobile Dealers Assoc. (MADA)	



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Joe Leko	Sheriff, Dakota County Sheriff/MN Sherrif's Assoc.		Jeff Lenarz	Pres., MN Deputy Registrars Assoc. (MDRA)	
Ken Mohr	VP of Operations, Automobile Assoc. of America (AAA)		John Mulder	City Administrator, City of Hermantown [representing League of MN Cities]	
Diane Nelmark	Revenue Tax Collection Officer, MN Dept. of Revenue		Jared O'Reilly	Board of Directors, MN Deputy Registrar Business Owners Assoc. (DRBOA)	
Dan O'Rourke	Supervisor, Individual Income Tax and Withholding, MN Dept. of Revenue		Brian Peters	Exec. Dir., MN Police and Peace Officers Assoc.	
Jeff Potts	Exec. Dir., MN Chiefs of Police Assoc.		Marissa Schmitz	Policy Manager, MN Dept. of Revenue	
Dan Spangenberg	Revenue Tax Supervisor, MN Dept. of Revenue		Wendy Spry	Tribal Liaison, MN DOC	
Mike Wakefield	State Program Administrator Coordinator, MN Dept. of Revenue				

Meeting Agenda		
Subject:	Owner:	Notes:
Welcome	Greg Loper	
Review and approve Aug. 15, 2024 meeting minutes	Greg Loper	
Legislative report process update	Greg Loper	
Presentation – AAMVA registration compliance and alternative infrastructure programs	Marcy Coleman	
Open discussion – ideas from spheres of influence	All Working Group members	
Assign action items for next meeting	Greg Loper	
Propose date for next meeting	Greg Loper	



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Action Items Assigned		
Date Assigned:	Sept. 18, 2024	
Assigned Owner:	Due Date:	Assigned Action Item:
Marcy Coleman	Oct. 16, 2024	Find out which states prohibit law enforcement to collect vehicle registration tax
Greg Loper	TBD	Report to working group the results of new AAMVA survey about registration compliance in other states, when available.

Meeting Minutes
<p>Sept. 18, 2024</p> <p>Working Group Attendees:</p> <ul style="list-style-type: none"> Greg Loper, Marcy Coleman, Frank Douma, Wayne Johnson, Josh Knatterud-Hubinger, Joe Leko, Jeff Lenarz, John Mulder, Jared O’Reilly, Dan O’Rourke, Jeff Potts, Dan Spangenberg, Wendy Spry, Mike Wakefield <p>Guests:</p> <ul style="list-style-type: none"> Liz Lauder, Anna Borgerding, Frankie Benson, member of public <p>Welcome:</p> <ul style="list-style-type: none"> Greg welcomed the group and started the meeting at 9:06 am <p>Review and approve Aug. 15, 2024 meeting minutes:</p> <ul style="list-style-type: none"> There were no requested changes to the minutes Minutes were accepted as presented <p>Legislative report process update:</p> <ul style="list-style-type: none"> Greg updated the group on the process for hiring an outside contractor to attend and manage the meetings, and to write the legislative report <ul style="list-style-type: none"> Once hired, the contractor will be reaching out to group members for information and seeking group members’ participation First draft of report will be sent to group members in December, 2024 <ul style="list-style-type: none"> Final draft due to legislature no later than Feb. 15, 2025 Contact Greg with questions about contractor and their work on the project <ul style="list-style-type: none"> Greg will send his reply to all group members <p>Presentation – AAMVA registration and alternative infrastructure programs:</p> <ul style="list-style-type: none"> Greg introduced Marcy Coleman <ul style="list-style-type: none"> Marcy is Vehicle Program Manager for American Association of Motor Vehicle Administrators (AAMVA) <ul style="list-style-type: none"> Formerly the administrator for Rhode Island Expert on motor vehicle administration



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- Greg served with her on several standing committees
- Marcy gave overview of AAMVA
 - Subject matter experts on:
 - Driver services
 - Vehicle services
 - Identification
 - Customer service
 - Law enforcement
 - Called AAMVA the “search engine” for state DMVs
 - Runs IT systems that allow state DMVs to communicate with each other and with external verification systems (such as the Social Security Administration)
 - Member-driven organization
 - Responds to states’ requests for research and data
 - Holds conferences
 - Writes policies, standards, and best practices
 - Not a regulatory body
- Marcy introduced the topics of her presentation:
 - Infrastructure funding
 - What other states are doing to offset losses coming from people paying less gas tax
 - Registration compliance in other states
- Infrastructure funding
 - Problem right now:
 - Not enough revenue coming to states from gas, sales, or excise taxes, or vehicle registration/renewal fees, to fund road/bridge projects
 - Federal gas tax not increased since 1993
 - Not tied to inflation
 - More people driving more fuel-efficient and electric/hybrid vehicles and not buying, or buying less, gas
 - Lost revenue from violators making fake license plates, not paying for vehicle insurance, not submitting vehicles to safety/emissions tests
 - Alternative infrastructure funding
 - Calculate registration fees by vehicle weight
 - About half of states do this
 - Higher weight vehicles do more damage to roads and are charged higher registration fee
 - Surcharges for highly fuel-efficient or electric vehicles
 - Road use charging/mileage-based user fees
 - Needs viable reporting method and enforcement
 - Four states piloting this; two more states starting pilots soon
 - Funding provided for federal pilot but hasn’t started yet
 - Virginia’s system is up and running
 - Managed by DMV
 - Not making money yet, but learning a lot
 - Two advocacy/research organizations:
 - [Eastern Transportation Coalition](#)



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- RUC America
- [Research](#) from Transportation Research Board on mileage-based user fees
 - How states can conduct pilot study
 - Framework for states to implement road user fees
 - Educating the public about gas tax and how to administer a collection program
- Registration compliance in other states
 - Law enforcement is key to compliance and to revenue
 - Tickets, towing charges, court appearances all ensure compliance and provide needed revenue
 - New York and Nevada have sworn law enforcement officers working for DMVs to enforce registration compliance and license plate fraud
 - State DMVs without their own police force can apply for grant funding to perform sweeps
 - Hot sheets
 - Law enforcement in some states use lists of owners of vehicles flagged on automated license plate readers as having expired registration
 - Other methods of enforcement or compliance:
 - Social media and public media campaigns help with educating people, but don't help with enforcement
 - Arizona has program where you can report on someone else who is driving car on expired tabs
 - Late renewal fees (Hawaii, Kansas, Kentucky, Montana, South Carolina)
 - Virginia recently sent out survey to states asking which are charging late renewal fees
 - Survey end date is in October, 2024
 - Greg will pass along results of survey when it becomes available
 - Creative solutions:
 - Tying registration to benefits
 - Violators prohibited from purchasing passes to visit parks or to park in municipal or college/university parking lots
- Questions for Marcy
 - Jeff Potts asked if any states prohibit law enforcement from enforcing vehicle registration
 - Marcy deferred question to AAMVA's law enforcement division
 - She will check with them and send reply to Greg
 - Jeff Potts asked Marcy to talk about Rhode Island shifting to civil rather than criminal penalties for registration compliance
 - Marcy said registration compliance shifted to traffic tribunal or municipal court
 - Vehicle owners have financial incentive to renew registration on time and avoid court or towing/impound costs
 - Other East Coast states also apply civil rather than criminal penalties



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- Greg asked if Marcy had any additional information about tying registration compliance to purchasing park passes
 - Marcy only has anecdotal information
 - AAMVA has not been tracking that
 - Greg thought this idea was something the working group should consider
- Wayne Johnson asked if late fees were effective to encourage registration compliance
 - Marcy said some states require vehicle owners to pay registration fees going back to original expiration date
 - Greg said Minnesota does this
 - Penalties for late renewal range between \$10 - \$50
 - AAMVA survey about this conducted in 2023
 - New survey should be completed next month
- Greg thanked Marcy for her presentation and encouraged working group members to contact her with questions:
 - Marcy Coleman, Esq.
Vehicle Program Manager
American Association of Motor Vehicle Administrators (AAMVA)
Phone: 703.258.9705; mobile: 703.258.9705
mcoleman@aamva.org
www.aamva.org

Open discussion – ideas from spheres of influence:

- Greg invited group members to bring forward their ideas and/or questions
 - Wayne Johnson brought up the idea of raising surcharges on electric vehicles
 - Perception is that owners of electric vehicles getting good deal by only paying surcharge and not for gas or gas tax
 - Josh Knatterud-Hubinger said EV owners pay about 15% more into the infrastructure-funding system because electric vehicles cost more and sales tax is higher on EVs
 - Only about 40,000 EVs in Minnesota right now
 - As prices come down and adoption rate goes up, policymakers should definitely look again at amount of EV surcharge
 - Josh Knatterud-Hubinger mentioned MNDOT has been studying road use charges for decades
 - Will be implementing pilot project soon
 - Greg has spoken with fuel tax administrators in other states
 - All neighboring states agree law enforcement is best method for registration compliance
 - Greg will talk about registration compliance at AAMA conference next week

Propose next meeting:

- October 16, 2024

Action items:

- Bring ideas from your spheres of influence

Greg ended the meeting at 10:05 am



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Next Meeting					
Date:	Oct. 16, 2024	Time:	9:00 – 11:00 am	Location:	WebEx; Town Square Skyway Large Conference Room