

FILED
Court Administrator

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By PH Deputy

**PETITION TO THE SPECIAL MASTER
COMPUTERIZED VEHICLE REGISTRATION SYSTEM**

62 CV 115203

The Minnesota Automobile Dealers Association ("MADA") is a non-profit voluntary membership organization that serves approximately 366 franchised new car and truck dealers throughout Minnesota. Established in 1919, MADA advocates the political, legal, and regulatory interests of its members. Such advocacy includes representing the interests of automobile dealers in court. MADA is also active in representing its members' interests in the legislative process.

The Computerized Vehicle Registration system ("CVR") is a web-based system which allows a Minnesota licensed motor vehicle dealership (dealer) to electronically transfer title and registration information to a Minnesota Department of Public Safety's Driver and Vehicle Services ("DVS") approved Deputy Registrar. Participation in the CVR program allows a dealer to legally issue registration idicia as allowed under Minnesota Statutes 168.27, Subdivision 28. The CVR is a registration system that is approved by DVS and the Minnesota Office of Enterprise Technology. Upon entrance of the customer's information into the CVR system at the dealership, the customer's information is instantaneously available to law enforcement through the DVS mainframe system and Esupport system.

CVR software allows dealers to generate and offload data for vehicle sales and registration from their existing computer systems. The data is held and tested on a CVR server for transmission to the Deputy Registrars and then to DVS. Dealers are permitted to inventory registration plates for vehicles purchased. Dealer customers are given the option to have their title application submitted electronically and to obtain their registration plates immediately in exchange for payment of an additional fee. About a third of the dealers, 90, utilize the CVR system.

The dealers contract directly with CVR, Inc. who owns and operates the CVR system. It is a fee based system that requires no state appropriation. The fee is paid by the dealer to CVR, Inc. The State of Minnesota is simply the recipient of the data through the CVR web-based software. No state employee is required for the operation of this system.

In a June 30th letter from DVS Director Pat McCormack which outlined the contingency plan for licensed dealers during a State shutdown, CVR transactions were identified as transactions that were

discontinued as of June 29th because there is not a state vendor contract in place for the CVR system. However, Director McCormack stated that the DVS mainframe system and Esupport would be operational so that law enforcement agencies would have access to DVS data. As a result of the shutdown of the CVR system, transactions would be processed manually from the dealer to the Deputy Registrar. Dealers would have to physically bring the applications to a Deputy Registrar to obtain plates and stickers. By doing so, buyer information would be delayed from being entered into the DVS system. This delay would disadvantage law enforcement officials who would not have timely data needed to protect the public.

In the Court's Order of June 29, 2011 under Conclusions of Law, Item 4, the core functions of government were identified to include "matters related to the life, health and safety of Minnesota citizens, the protection of rights of citizens under the Minnesota and United States Constitutions, and the maintenance and preservation of public property." Further, the Court under Findings of Fact 27, agreed with the Governor's definition of core functions by identifying the "maintenance of public safety" along with the "necessary administration and support services, including but not limited to computer system maintenance."

Allowing the CVR system to remain functional allows necessary technological transactions to continue within a computer system necessary for public safety. The DVS mainframe system and Esupport systems will already be functional during a government shutdown. By allowing the system to continue during a shutdown, law enforcement would have immediate access to critical and timely information on the owner of a vehicle.

In addition to discontinuing the CVR system, DVS is not allowing dealers to access the DVS mainframe and motor vehicle data systems. Dealers routinely access this system to view customer records to verify ownerships and lienholder status on vehicles that they intend to take in trade. Allowing DVS mainframe access to dealers will reduce the likelihood of fraud in transactions.

MADA is requesting the CVR system be made operational and that dealers have access to the DVS mainframe.