

HOUSE TRANSPORTATION COMMITTEE
March 12, 2021 – 9:30 a.m. - Room 327E

North Dakota Department of Transportation
Jennifer Blumhagen, Motor Vehicle Division Director

SB 2302

Good morning Chairman Ruby and members of the committee. I'm Jennifer Blumhagen, Motor Vehicle Division Director for the North Dakota Department of Transportation (NDDOT). I'm here to provide information related to SB 2302. Thank you for your time today.

Senate Bill 2302 proposes to require citizens to provide proof of insurance before they can renew their motor vehicle registration. Motor vehicle registration renewals comprise over 66% of the transactions the MV team processes. The NDDOT has employed a number of methods to make it easier for our citizens to comply with the registration requirements including online renewal, self-service terminals, mail-in service, and the ND Drive mobile app, in addition to appointments for in-person service.

Subsection 5 states "The department shall provide for a mechanism to verify motor vehicle insurance for renewal of registration via the department's online registration renewal service." This language may unintentionally focus only on the online registration renewal option and is unclear on the verification requirements for those that choose to renew via mail, at a self-service terminal, or through the ND Drive mobile app.

The expected result of the verification requirement is a significant increase in NDDOT staff time to research and validate insurance policies. We anticipate an increase in service time for registration credentials. In addition, there would be a cost to develop a mechanism for citizens to provide proof of insurance for the online, self-service terminal, and mobile app renewal options.

Currently, there is no automated or online mechanism in place for the NDDOT to verify insurance. This functionality would have to be developed. Without automation it would be a labor-intensive, manual process to verify each insurance policy at the time of renewal.

The issue of uninsured motorists is a valid concern. Currently, there is no accurate, timely mechanism in place to quantify the scope of the problem. Recently, SB 2151 passed on the House Floor. This bill is to provide for a legislative management study on using blockchain technology to provide a means to identify uninsured drivers accurately

and efficiently, in an automated manner, rather than requiring citizens to submit proof to the NDDOT.

This concludes my testimony. Thank You.