

**Minutes of the Meeting of the Utah Privatization Policy Board**  
**Wednesday November 29, 2006 10:00 a.m.**  
**Room 3150, State Office Building**  
**Salt Lake City, Utah**

**Attendees**

Senator Brent Goodfellow - Chair, Representative Fred Hunsaker, Senator Chris Buttars, Steven Dickson, Jim Kesler, Ted Boyer, Gretta Spendlove, Douglas Richins

**Excused**

Robin Riggs, Norm Tarbox, Tanya Henrie

**Absent**

Steve Wrigley

**Visitors**

Rod Marrelli – Tax Commission, Brad Simpson – Tax Commission

**Welcome and Introductions**

Senator Brent Goodfellow, Chair conducted the meeting.

**Approval of Minutes:**

Representative Fred Hunsaker motioned for approval of the minutes of the meeting held October 25, 2006. Ted Boyer seconded that motion. The minutes were unanimously approved.

**Presentation by Rod Marrelli and Brad Simpson – Utah State Tax Commission**

Mr. Marrelli and Mr. Simpson provided the board with an overview of the outsourcing and privatization efforts of the Division of Motor Vehicles. They stated that their goal of finding ways to keep people from needing to come into the DMV buildings to conduct their transactions. They presented handouts graphically showing the Four Year Outsourcing Trends. (copies of the handout is attached to the minutes.)

**Renewal Express** - This is an internet service that allows people to renew their car registration and make payment with a credit card at any time for their convenience. Last year 350,000 people renewed their car registration online. It is estimated that 370,000 will use the system this year. That is about 1/3 of the renewals. They said that this is the highest percentage of anywhere in the nation.

**Self-Plating Program** - This program gives the large auto dealers, car rental firms and state fleets direct access to the licensing system. The system allows the dealer to register, title and plate the car before the customer leaves the dealers office. There is also the Independent Dealer Solutions, a third party system that allows used car dealers to go into the system and do their own plating. Overall there were 250,000 vehicles plated with this system last year. Rep. Hunsaker applauded the innovative system, saying that this is an example of outsourcing at its best.

**“On the Spot” Program** – There are currently 127 safety and emissions stations in 14 counties that partner with the Tax Commission and for a fee provide a value added service to complete

the registration renewal and decal process. This program started in 2005 will process almost 120,000 subtransactions in 2006.

**Coversnet Program** – This program allows large motor carrier companies to self plate their vehicles and process renewals. The Tax Commission projects that 3,300 subtransactions will be accomplished via this system in 2006.

**Possible Future Expansion** – Mr. Simpson and Mr. Marrelli indicated that they are looking at the following new areas.

Kiosks – Potential renewal of driver’s license and motor vehicle registration in public areas.

E-Lien – Electronic lien releases from financial institutions (on vehicle titles). There was a discussion with the board on challenges with titles and the criticality of the security of titles.

Ted Boyer asked if the Tax Commission had considered outsourcing the operation of the DMV offices. Mr. Marrelli indicated that as they have evaluated this, it isn’t something they are interested in pursuing at this time. He said that 50% of the DMV’s business happens on the last day and first day of the month.

Mr. Marrelli and Mr. Simpson were complimented for the efficiencies and improvements they have implemented. The board commended them for being very proactive.

#### **Discussion Items for Future Meetings**

Mr. Kesler made the recommendation that for the next meeting that the board past meeting minutes so we can prepare for our annual report to the governor and the legislature. Mr. Richins was asked to prepare a discussion draft of the annual report and send it out prior to the meeting.

Rep. Hunsaker raised an issue whether any privatization effort would assist in picking up for disposal tires to be recycled. He said that tire dealers (at least in Cache County) are complaining that the tires are never picked up by the recycler. It was agreed that at a future meeting to invite Mark Blazzard from the Office of Legislative Fiscal Analyst, and also ask him others that he would recommend we invite to address this issue (perhaps representatives from DEQ and private recycling companies).

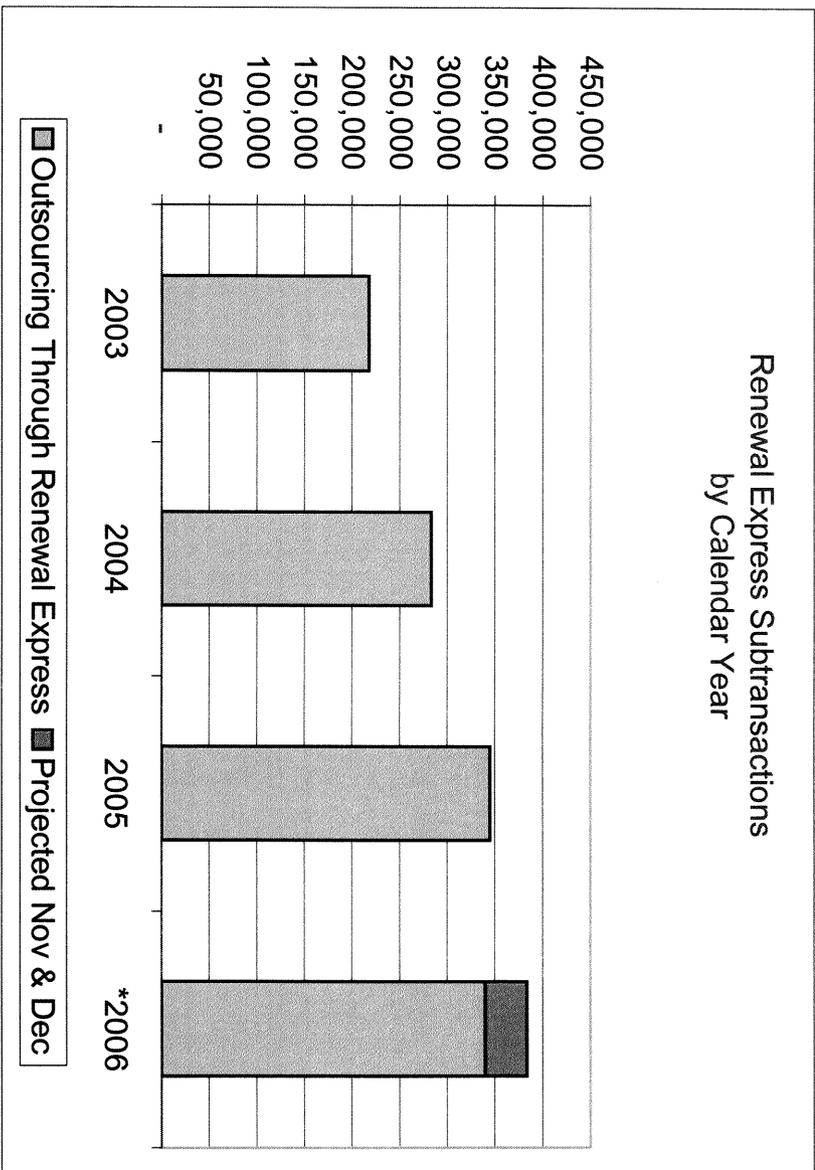
#### **January Meeting**

The next meeting will be on January 3, 2007 at 10:00 a.m. in the offices of the Division of Purchasing - 3150 State Office Building, Capitol Hill, Salt Lake City.

Attachments – Handouts provided by the Tax Commission.

# Four Year Outsourcing Trends

## Renewal Express Program

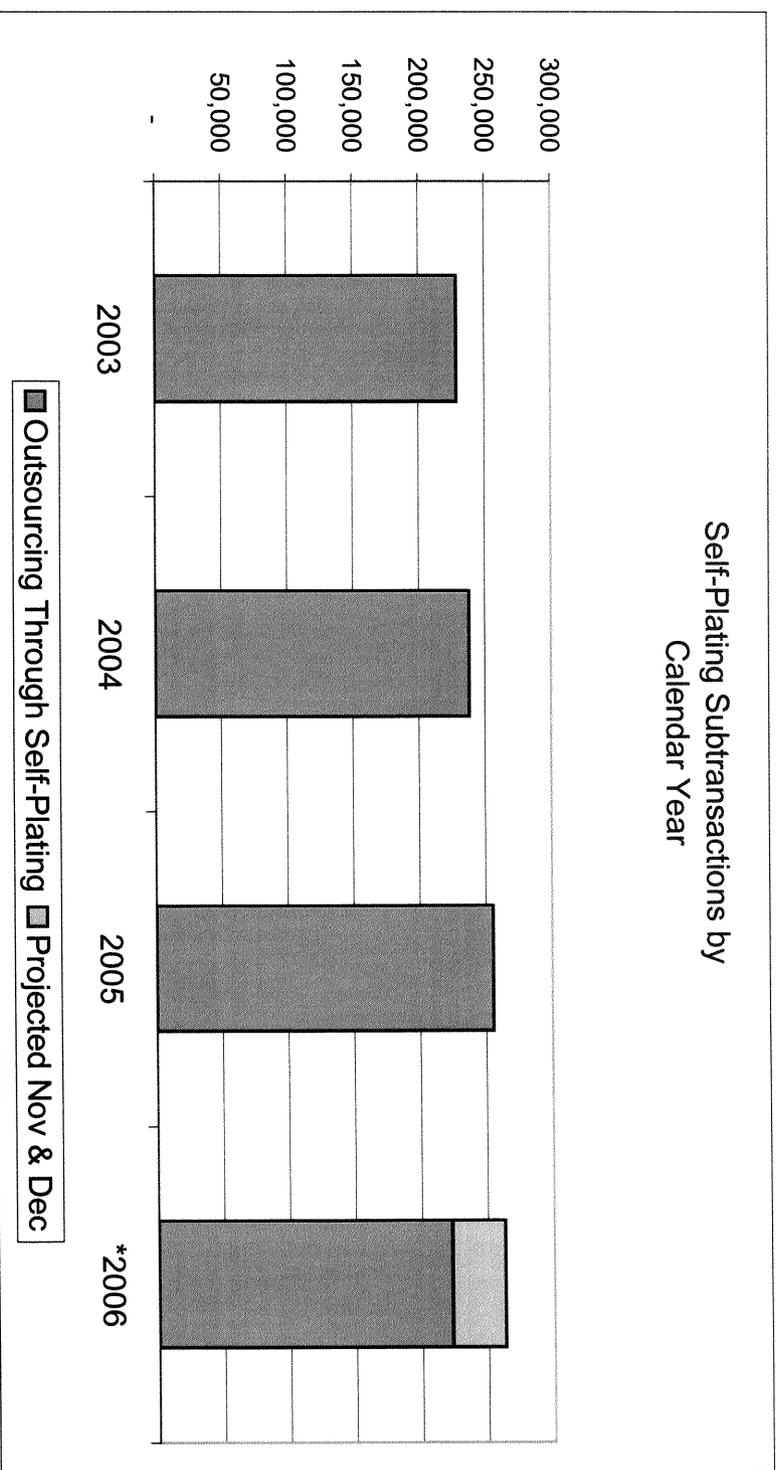


\*Year to date as of November 1 - the projected subtransactions for November and December have been added.

Renewal Express allows customers to renew their vehicle online 24 hours a day, 7 days a week.

# Four Year Outsourcing Trends

## Self-Plating Program

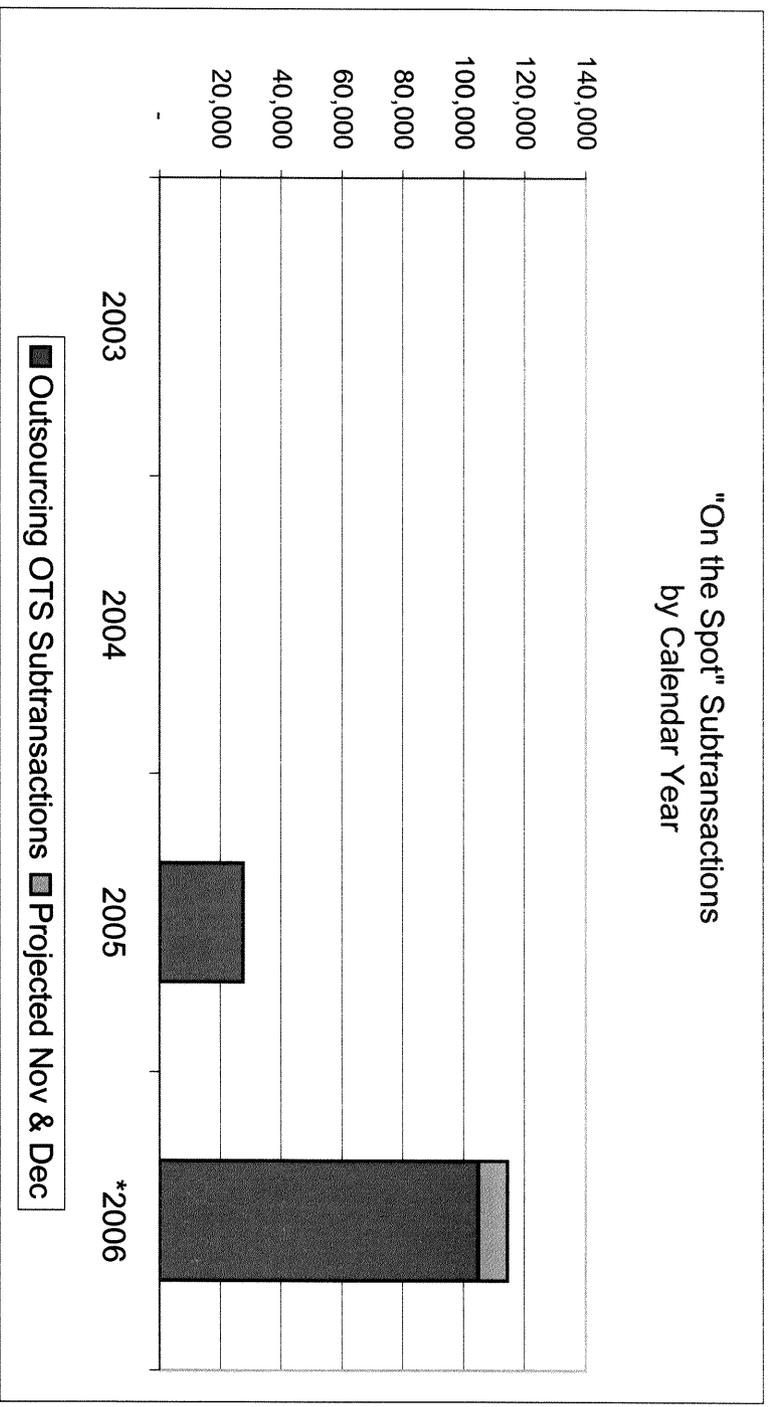


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Outsourcing to Independent Dealer Solutions, Large New Car Dealers, State Fleets, Rental Car Companies, etc.

# Four Year Outsourcing Trends

## "On the Spot" Program

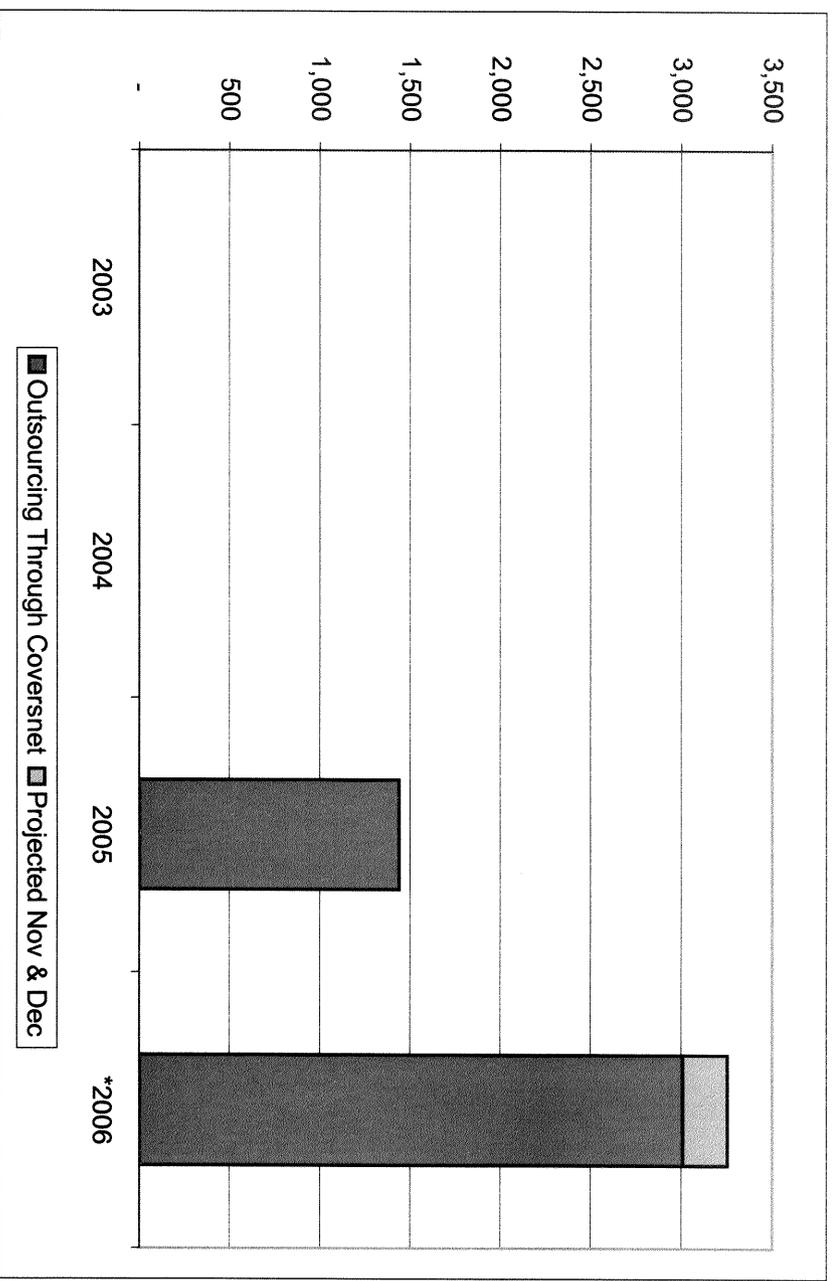


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OTS (On the Spot) stations are safely and emission stations that do renewals for customers subsequent to their getting their vehicles inspected. OTS program began in May 2005. As of October 31 2006, there were 127 OTS stations located in 14 counties.

# Four Year Outsourcing Trends

## Coversnet Program



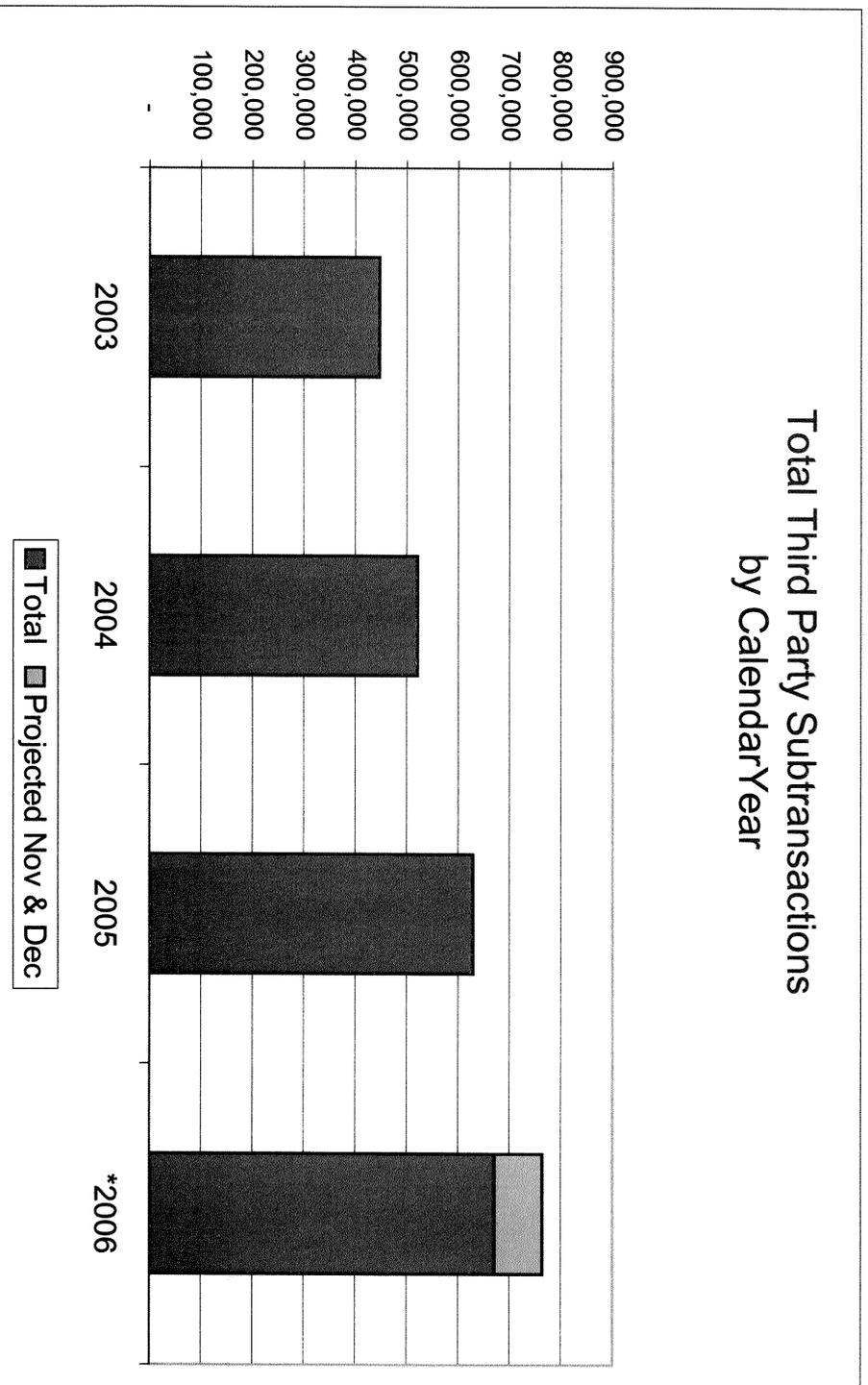
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Coversnet allows large motor carrier companies to self-plate their vehicles as well as process the renewals of those vehicles. A pilot program was implemented in January 2005, and the full program was implemented in November of 2005.

# Four Year Outsourcing Trends

All Programs

Total Third Party Subtransactions  
by Calendar Year



\*Year to date as of November 1 - the projected subtransactions for November and December have been added.

# Four Year Outsourcing Trends

## Relative Contribution of Each Program

