



Department of Public Safety – Driver and Vehicle Data Sales

Performance Audit

September 2025

Financial Audit Division

Office of the Legislative Auditor

State of Minnesota

Financial Audit Division

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September 17, 2025

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Bob Jacobson, Commissioner
Department of Public Safety

Tarek Tomes, Commissioner and Chief Information Officer
Minnesota IT Services

This report presents the results of our performance audit of the Department of Public Safety's sale and sharing of driver and vehicle records for the period July 2022 through December 2024. The objectives of this audit were to determine if the department, along with Minnesota IT Services, complied with significant legal requirements related to permissible disclosures, data privacy, fee collection, and deposit of receipts, and had adequate information technology controls. We also validated whether the department had resolved prior audit findings.

This audit was conducted by Joe Sass, CISA (IT Audit Director) and auditors Dustin Juell, CompTIA Security+; Rob Riggins, CISA, CISSP; and Emily Wiant.

We received the full cooperation of the staff of the Department of Public Safety and Minnesota IT Services while performing this audit.

Sincerely,



Judy Randall
Legislative Auditor



Lori Leysen, CPA
Deputy Legislative Auditor



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Introduction

The Minnesota Department of Public Safety's (DPS's) Driver and Vehicle Services (DVS) division is responsible for issuing driver's licenses and identification (ID) cards and titling and registering vehicles. DVS also oversees a range of related services, including motor carrier registration and fuel tax collection, vehicle dealer licensing, inspections of salvage and reconstructed vehicles, and the collection of crash data. These services are delivered through DVS's central office in St. Paul, its exam stations, and driver's license agents and deputy registrar offices located throughout Minnesota. As permitted and regulated by both federal and state laws, DPS may share and sell the data it collects as part of issuing driver's licenses and ID cards and titling and registering vehicles.¹

Auditors focus on internal controls as a key indicator of whether an organization is well managed. To audit the extent to which DPS complied with federal and state laws regarding its sale of the data it collects, we examined DPS's internal controls. Internal controls are the policies and procedures management establishes to govern how an organization conducts its work and fulfills its responsibilities. A well-managed organization has strong controls across all of its internal operations. If effectively designed and implemented, controls help ensure, for example, that inventory is secured, computer systems are protected, laws and rules are complied with, and authorized personnel properly document and process financial transactions.

In this audit, we focused on whether DPS and Minnesota IT Services (MNIT) had controls to ensure that it secured and provided appropriate access to data, appropriately collected and deposited data sales fees, and disseminated driving and vehicle record data in compliance with state laws and policies.

Minnesota Law Mandates Internal Controls in State Agencies

State agencies must have internal controls that:

- Safeguard public funds and assets and minimize incidences of fraud, waste, and abuse.
- Ensure that agencies administer programs in compliance with applicable laws and rules.

The law also requires the Commissioner of Minnesota Management and Budget to review OLA audit reports and help agencies correct internal control problems noted in those reports.

— **Minnesota Statutes 2024, 16A.057**

¹ Federal Driver Privacy Protection Act: 18 U.S. Code, secs. 2721–2725 (2024). *Minnesota Statutes 2024*, 168.327, 168.346, and 171.12.



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Report Summary

Conclusion

The Department of Public Safety (DPS) generally complied with most of the requirements we tested. However, we identified some instances of noncompliance related to legislatively required audit reporting, driver's license indicators, interest charges on overdue payments, and one subscriber contract.

Findings and Recommendations

Finding 1. The Department of Public Safety has neither obtained the required audit of the driver and vehicle services information system on a biennial basis nor submitted the audit report, as required by statute. (p. 19)

Recommendation

The Department of Public Safety should obtain the biennial audit and submit its audit reports, as required by state statute.

Finding 2. Prior Audit Finding Partially Resolved. The Department of Public Safety did not include language in one of its data subscriber contracts requiring an annual independent third-party audit. (p. 20)

Recommendation

The Department of Public Safety should ensure that each of its subscriber contracts includes the statutory language requiring a third-party annual audit.

Finding 3. The Department of Public Safety charged interest on past-due invoices without providing the notice required by statute and applied an incorrect interest rate. (p. 21)

Recommendations

- The Department of Public Safety should modify its MNDRIVE invoices to include a statement that interest will be charged on past-due balances.
 - The Department of Public Safety should annually update the interest rate used in the MNDRIVE system to the interest rate as established by the Department of Revenue.
 - The Department of Public Safety should consider correcting customer accounts for past interest over and underpayments.
-

Finding 4. The Department of Public Safety included Department of Natural Resources firearm indicators in driving records accessible online by federal entities through e-Services for Business, in violation of state statute. (p. 22)

Recommendation

The Department of Public Safety should ensure that no federal entities have access to Department of Natural Resources firearm indicators contained in driving records.

Background

The Minnesota Department of Public Safety (DPS) oversees driver and vehicle programs that affect millions of Minnesotans, including vehicle titling and registration, driver and dealer licensing, commercial vehicle registration, federal fuel tax collection, and crash data management. The Driver and Vehicle Services (DVS) division at DPS provides these services. DPS collaborates closely with law enforcement, government agencies, the courts, and local registrars who rely on DPS systems and data to deliver and support various programs. DPS uses MNDRIVE, its information technology platform, to manage these services and process related data.

Federal and state laws define who may access and purchase driver and vehicle records. The federal Driver’s Privacy Protection Act (DPPA) outlines 14 permissible uses (see Exhibit 1), while Minnesota statutes add further restrictions, specify data use conditions, and set fees to obtain the records.²

DPS provides several means to obtain driver and vehicle data. Individual records are available in person, by mail, or electronically through the MNDRIVE e-Services portal. DPS also offers an application programming interface (API), which enables organizations to securely interface with MNDRIVE using their existing internal systems. Driver and vehicle data subscriptions provide data in bulk, containing comprehensive sets of driver or vehicle data with daily updates, for data aggregation and resale. DPS can also customize bulk data extracts to meet specific needs for certain records or data elements.

DRIVER AND VEHICLE DATA
ACCESS METHODS

INDIVIDUAL RECORDS

**In Person or By Mail**

Records purchased in person or by mail. Purchased by the individual data subject (or another person with written consent), often for driving record verification for employment.

**e-Services for Business**

Records retrieved through DVS’s secure online portal. Regularly used by government agencies and employers for verification and investigation.

**Application Programming Interface (API)**

Records retrieved programmatically by an interfacing IT system. Typically used by employers to verify driving record data.

BULK RECORDS

**Subscription**

All records with daily update/change files, accessed via file transfer portal. Subscribers are large data aggregators who resell the data for various purposes as allowed by the DPPA.

**Custom Data Requests**

Multiple records meeting a defined set of parameters for a single use or purpose, provided by DPS on a one-off basis. Typically requested as part of a class-action suit or other requests with specific data requirements.

² Federal Driver’s Privacy Protection Act: 18 U.S. Code, secs. 2721–2725 (2024). *Minnesota Statutes* 2024, 168.327, 168.346, and 171.12, are the primary statutes governing these areas. However, additional statutes, as referenced, apply further restrictions.

Data Privacy

In 1994, the federal government passed the Driver's Privacy Protection Act (DPPA) to limit how personal information collected from driver's licenses, ID cards, and vehicle titles and registrations by state motor vehicle departments can be accessed and used.

Exhibit 1

Permissible Uses of Driver and Vehicle Data, as Provided in 18 U.S. Code, Section 2721

Driver and vehicle data may be disclosed as follows:

1. For use by any government agency, including any court or law enforcement agency, in carrying out its functions, or any private person or entity acting on behalf of a Federal, State, or local agency in carrying out its functions.^a
2. For use in connection with matters of motor vehicle or driver safety and theft; motor vehicle emissions; motor vehicle product alterations, recalls, or advisories; performance monitoring of motor vehicles, motor vehicle parts and dealers; motor vehicle market research activities, including survey research; and removal of non-owner records from the original owner records of motor vehicle manufacturers.
3. For use in the normal course of business by a legitimate business or its agents, employees, or contractors, but only—
 - a. to verify the accuracy of personal information submitted by the individual to the business or its agents, employees, or contractors; and
 - b. if such information as so submitted is not correct or is no longer correct, to obtain the correct information, but only for the purposes of preventing fraud by, pursuing legal remedies against, or recovering on a debt or security interest against, the individual.
4. For use in connection with any civil, criminal, administrative, or arbitral proceeding in any Federal, State, or local court or agency or before any self-regulatory body, including the service of process, investigation in anticipation of litigation, and the execution or enforcement of judgments and orders, or pursuant to an order of a Federal, State, or local court.^a
5. For use in research activities, and for use in producing statistical reports, so long as the personal information is not published, redisclosed, or used to contact individuals.
6. For use by any insurer or insurance support organization, or by a self-insured entity, or its agents, employees, or contractors, in connection with claims investigation activities, antifraud activities, rating or underwriting.^a
7. For use in providing notice to the owners of towed or impounded vehicles.
8. For use by any licensed private investigative agency or licensed security service for any purpose permitted under this subsection.
9. For use by an employer or its agent or insurer to obtain or verify information relating to a holder of a commercial driver's license that is required under chapter 313 of title 49.^a
10. For use in connection with the operation of private toll transportation facilities.
11. For any other use in response to requests for individual motor vehicle records if the State has obtained the express consent of the person to whom such personal information pertains.
12. For bulk distribution for surveys, marketing or solicitations if the State has obtained the express consent of the person to whom such personal information pertains.
13. For use by any requester, if the requester demonstrates it has obtained the written consent of the individual to whom the information pertains.
14. For any other use specifically authorized under the law of the State that holds the record, if such use is related to the operation of a motor vehicle or public safety.

^a Indicates that highly restricted personal information, as defined in 18 U.S. Code, sec. 2725(4), may be obtained without the consent of the person to whom the information applies.

The DPPA permits this information to be disclosed for only 14 specific purposes, as described in Exhibit 1. Pursuant to the Act, highly restricted personal information, such as ID photos and social security numbers, can be shared only with certain government agencies, law enforcement, courts, and insurers.³

State law requires DPS to disclose data—as permitted by the DPPA—provided by Minnesotans to obtain driver’s licenses or ID cards and to register vehicles.⁴ State law also establishes restrictions on sharing certain data elements, particularly data for standard driver’s licenses.⁵

Driving Record and Vehicle Data Elements

Exhibit 2 describes the data elements contained within driving records and vehicle records. The specific data elements provided vary depending on the request type, format, and the requester’s level of authorization. Certain elements may be accessible only to specific requesters based on state law. For example, driver’s license and ID photos are available to entities only for the purposes of carrying out criminal and legal investigations, child support enforcement, and medical examiner duties.⁶ DPS provides other data elements, such as social security numbers, only via certain formats. Certified records, which provide a full driving or vehicle history and official stamp, may be obtained from DPS in person or by mail.

³ 18 U.S. Code, sec. 2721 (2024).

⁴ *Minnesota Statutes* 2024, 168.346, subd. 1 (vehicle); and 171.12, subd. 7 (driver/ID).

⁵ A standard driver’s license or ID card, sometimes called a “noncompliant” driver’s license or ID, serves as legal proof of identification but is not REAL ID compliant and cannot be used to board an airplane or enter certain federal facilities.

⁶ *Minnesota Statutes* 2024, 171.07, subd. 1a.

Exhibit 2

Driving Record and Vehicle Data Elements

DRIVER'S LICENSE AND ID CARD RECORDS

Certified records include the entire driving record and DPS stamp. Noncertified records include driving history for the last five years.

Customer Record Information

- Name (First, Middle, Last)
- Suffix
- Private Address^a
- Mailing Address
- Date of Birth (DOB)
- Gender (M/F/X)
- Eye Color
- Height/Weight
- Photos^a
- Social Security Number^a

Credential/License Information

- License Number
- Noncommercial Status
- Commercial Status
- State ID Standing
- Class
- Type (Standard, REAL, Enhanced)
- Issue Date
- Expiration Date
- Status
- Endorsements
- Corrective Lenses
- Restrictions/Limitations
- Indicators

Exams

- Date
- Type
- Description

CDL Medical Information

- Self-Certification
- Self-Certification Posted Date
- Medical Certification Posted Date
- Date Certificate Signed
- Certificate Expiration Date
- Medical Certificate Restrictions
- Medical Examiner Name
- Medical Examiner Phone
- Medical Examiner License/Certificate Number
- Issuing State
- National Registry Number
- Medical Examiner Type
- Medical Waiver Source and Expiration Date

Driving Record History

- Event Date
- Event Type
- Violation Date
- Violation Type
- Conviction Date
- County
- Duration
- Completed

MOTOR VEHICLE RECORDS

A motor vehicle record request can be certified or noncertified. Title history may be included for an additional fee.

Vehicle Information

- VIN
- Year
- Make
- Model
- Color
- Vehicle Type
- Body Style
- Fuel Type
- Base Value
- Weight

Owner/Lessee Information

- Name^a
- Date of Birth
- Private Address^a
- Mailing Address
- Lessor Address
- Entity Type
- Owner Type

Title Information

- Title Number
- Status
- Sale/Acquisition Date
- Issued Date
- Cancelled Date
- Title Type
- Issue Type
- Engine Number
- Odometer Code/Miles
- Previous Title Number/State
- Bond Amount
- Bond Date
- Bond Expiration
- Title brands

Registration Information

- County Kept
- Plate Type
- Plate Number
- Sticker Number
- Registration Issue Date
- Registration Expiration Date

Lien Information

- Lienholder Name
- Lienholder Address
- Lien Date
- Lien Release Date

Insurance Information

- Company Name
- Policy Number
- Expiration Date
- Self-Insured (Y/N)

Vehicle Notices and Other Data

- Removed from State
- Sales Tax Paid^a
- Notice of Sale (Reason, Date, New Owner Details)
- Previous Owners' List (Name, DOB, Owner/Entity Type)^a
- Vehicle Held for Resale Indicator

^a Denotes data elements that are restricted and may be accessed only by authorized entities. These elements do not appear in bulk data files and are not provided by the API.

Source: Office of the Legislative Auditor, based on information provided by the Department of Public Safety.

Data on Immigration Status

All Minnesotans, regardless of their immigration status or legal presence in the United States, are eligible for a standard driver's license or ID card.⁷ To obtain a standard driver's license or ID in Minnesota, a person must provide proof of identification documentation showing their full name and date of birth, such as a passport or birth certificate.⁸ State and federal law also require standard driver's license and ID card applicants to provide their social security number, if they have one.⁹ This information, including scanned images of the proof of identification documents, is stored in MNDRIVE. DPS secures and limits access to this information—both in MNDRIVE itself and in the records it shares or sells. However, certain parties have access to social security numbers through DPS's e-Services for Business online portal.¹⁰

State law classifies immigration status data associated with people who have applied for a standard driver's license or ID (including whether the person has demonstrated United States citizenship or lawful presence and proof of identification documents) as private data on individuals.¹¹ State law prohibits DPS and its driver's license agents from sharing immigration status data and further prohibits sharing *any* data on standard driver's license or ID holders with federal immigration enforcement entities without a valid search warrant or court order.¹²

DPS and its driver's license agents may share standard driver's license and ID data that are not considered immigration status data with federal government entities that do not enforce immigration, as long as they do not use the data for immigration enforcement purposes or provide the data to immigration enforcement entities or their employees/agents.¹³ Prior to disclosing any data on standard driver's license or ID holders, DPS and its driver's license agents must have the requester or purchaser certify that they will not use or provide the data for immigration enforcement purposes.¹⁴ DPS includes this certification within its contracts with data purchasers and requires an annual attestation for e-Services for Business users.

⁷ *Minnesota Statutes* 2024, 171.06, subd. 8, allows a person to apply for a standard license or identification card without demonstrating United States citizenship or lawful presence in the United States.

⁸ *Minnesota Statutes* 2024, 171.062. DPS provides a list of valid primary and secondary document types on their website (https://s3.us-east-2.amazonaws.com/assets.dps.mn.gov/s3fs-public/dvs-standard-required-docs-2025-2_0.pdf).

⁹ 6 *U.S. Code*, sec 37.11 (e); and *Minnesota Statutes* 2024, 171.06, subd. 3.

¹⁰ *Minnesota Statutes* 2024, 13.69, subd. 1(a)(3), classifies social security numbers in driver's license and motor vehicle registration records as private but requires them to be disclosed to designated state agencies for specified purposes.

¹¹ *Minnesota Statutes* 2024, 171.12, subd. 11(b).

¹² *Minnesota Statutes* 2024, 171.12, subd. 11(d).

¹³ *Minnesota Statutes* 2024, 171.12, subd. 11(c).

¹⁴ *Minnesota Statutes* 2024, 171.12, subd. 7b(e).

Data Sharing and Additional Audit Oversight

DPS must share information with the Office of the Secretary of State for voter registration purposes. Individuals participating in *automatic* voter registration must provide documentation demonstrating proof of United States citizenship when applying for a driver's license or ID card.¹⁵ By law, the Secretary of State may not share or disseminate any data it receives on standard driver's license or ID card holders for purposes other than voter registration and election administration.¹⁶

In a similar exchange of data, DPS receives information from the Department of Natural Resources regarding individuals' firearm safety and advanced hunter certification. While this information is printed on a driver's license or ID, Minnesota law prohibits DPS from disclosing it to any federal entity.¹⁷

DPS must obtain an independent audit of the driver and vehicle services system every two years that reviews data classification and usage; compliance with the statutory requirement to limit access to data within MNDRIIVE; and compliance with the statutory requirement to maintain a detailed audit trail of all data entered, updated, accessed, shared, or disseminated.¹⁸ DPS must also monitor and audit how its driver's license agents and deputy registrars provide driver and vehicle records.¹⁹

Subscription purchasers, who obtain bulk driver or vehicle data on a monthly basis, undergo an annual independent audit reviewing how they use driver and vehicle services data, their IT security practices, and compliance with the certification to not share standard driver's license data with immigration enforcement agencies. These audit reports must be submitted to both DPS and the Office of the Legislative Auditor.²⁰

¹⁵ The Secretary of State shares information on this process on its website, <https://www.sos.mn.gov/elections-voting/register-to-vote/automatic-voter-registration/>.

¹⁶ *Minnesota Statutes* 2024, 171.12, subd. 7a(b).

¹⁷ *Minnesota Statutes* 2024, 171.12, subd. 7c.

¹⁸ *Minnesota Statutes* 2024, 171.12, subd. 1a.

¹⁹ *Minnesota Statutes* 2024, 168.327, subd. 7.

²⁰ *Minnesota Statutes* 2024, 168.327, subd. 6.

Data Sales: Fees, Receipts, and Deposits

State law sets the fees DPS must charge when selling individual and bulk driver and vehicle records.²¹ Statutes also specify into which accounts DPS must deposit the money received from these sales.²² Exhibit 3 shows the fees for each service and how DPS must allocate the deposits for the receipts.

Exhibit 3

Driver and Vehicle Record Fees, 2025

Service Type	Fee Details	Deposit Breakdown
Individual Certified Record	\$10.00 per record + \$1.00 per printed vehicle title history page + \$0.50 surcharge	\$0.50 from record fee to General Fund Remainder to DVS Operating Account or retained by processing DL Agent/Deputy Registrar \$0.50 to General Fund (surcharge, if collected) <i>Surcharge does not apply if requesting your own record</i>
Individual Noncertified Record	\$9.00 per record + \$1.00 per printed vehicle title history page + \$0.50 surcharge	\$0.50 from record fee to General Fund Remainder to DVS Operating Account or retained by processing DL Agent/Deputy Registrar \$0.50 to General Fund (surcharge, if collected) <i>Surcharge does not apply if requesting your own record</i>
Individual Electronic Inquiry (via API or e-Services for Business)	\$4.50 per inquiry ^a + \$0.50 surcharge ^b	\$2.70 to General Fund \$1.80 to DVS Operating Account \$0.50 to General Fund (surcharge)
Bulk Subscription: Driver or Vehicle	\$3,680/month \$0.02 per record	\$3,680 to DVS Operating Account 20% (\$0.004) to DVS Operating Account 30% (\$0.006) to Data Security Account 50% (\$0.01) to DVS Technology Account
Custom Data Requests	\$0.02 per record + technical fee to produce data set ^c	20% (\$0.004) to DVS Operating Account 30% (\$0.006) to Data Security Account 50% (\$0.01) to DVS Technology Account DPS deposits receipts from the technical fee in an expenditure account to offset the costs to create the data set.

^a *Minnesota Statutes* 2024, 168.327, subd. 3, allows some entities to obtain the data at no cost for specific purposes.

^b Per *Minnesota Statutes* 2024, 168.327, subds. 1(f) and 2, fees and surcharge do not apply if an individual is requesting their own record. However, DPS Security and Confidentiality of Data and Records Policy 125-1000 prohibits an individual from directly accessing their own record; instead, they must request an individual copy through other channels for a fee.

^c *Minnesota Statutes* 2024, 168.327, subd. 5b(d), allows DPS to impose an additional fee for technical staff to create a custom data set. DPS sets this fee based on the rate charged by Minnesota IT Services (MNIT) or its technical contractors.

Source: *Minnesota Statutes* 2024, 168.327, subds. 1–5b.

²¹ *Minnesota Statutes* 2024, 168.327, defines the fees, surcharges, and exceptions for the sale of driver and vehicle records.

²² *Minnesota Statutes* 2024, 168.327.

During the scope of this audit (July 1, 2022, through December 31, 2024), DPS generated more than \$8.9 million in revenue through the sale of driver and vehicle records. When deposited, these funds are allocated, as directed by statute, among the DVS Operating Account, DVS Technology Account, Data Security Account, and the state's General Fund.²³

Exhibit 4 summarizes the total receipts by fiscal year and deposit account during the scope of our audit. Deposits in the DVS Operating and Technology accounts are annually appropriated to DPS to administer driver and vehicle services and for the development, deployment, and maintenance of the driver and vehicle services information systems.²⁴ Per state law, our office receives the funds deposited in the Data Security Account to provide oversight related to the security of data stored and transmitted by state systems—including, but not limited to, this audit of driver record subscription services and bulk data at DPS.²⁵

Exhibit 4

Receipts Summarized by Account for Sale of Driver and Vehicle Records, Fiscal Years 2023–2025

Account	Fiscal Year			Total
	2023	2024	2025	
Data Security Account	\$ 203,719	\$ 285,102	\$ 108,923	\$ 597,744
DVS Technology Account	339,531	452,889	181,538	973,959
DVS Operating Account ^a	1,577,546	1,549,786	615,140	3,742,472
General Fund	<u>1,610,062</u>	<u>1,517,345</u>	<u>529,040</u>	<u>3,656,447</u>
Total	\$3,730,858	\$3,805,123	\$1,434,641	\$8,970,621

Note: The audit scope included the portion of Fiscal Year 2025 from July 1, 2024, through December 31, 2024. Only that portion is shown in this table. Totals may not sum correctly due to rounding.

^a *Laws of Minnesota* 2023, chapter 68, art. 4, sec. 82, amended *Minnesota Statutes* 2022, 299A.705, subd. 1, to create the “Driver and Vehicle Services Operating Account” in the Special Revenue Fund. Previously, the Driver Services and Vehicle Services units deposited these funds into separate operating accounts. The amounts shown represent the totals across all three accounts.

Source: Office of the Legislative Auditor, based on data in the state's accounting system.

DPS bills and collects fees for data purchases through MNDRIVE, except for one-time custom data requests, which DPS invoices manually through the state's accounting system. MNDRIVE automatically generates and sends monthly invoices based on the records accessed. Purchasers have 30 days from receipt to pay their balance. They may pay their balance directly within MNDRIVE by credit card or Automated Clearing House (ACH) transfer, or by mail via check or money order. Overdue accounts accrue interest, and purchasers may be unable to access data until their balance is paid.

²³ *Minnesota Statutes* 2024, 168.327.

²⁴ *Minnesota Statutes* 2024, 299A.705, subds. 1 and 3.

²⁵ *Minnesota Statutes* 2024, 3.9741, subd. 5, establishes the Data Security Account and appropriates the Office of the Legislative Auditor the funds credited to it.

MNDRIVE System Security and Data Access

DPS and Minnesota IT Services (MNIT) utilize MNDRIVE as a vendor-managed Software-as-a-Service (SaaS) solution, with hosting, maintenance, and security handled by FAST Enterprises.²⁶ FAST hosts MNDRIVE, along with other states' driver and vehicle systems, within its cloud hosting environment. FAST has implemented its own suite of monitoring tools and a dedicated Security Operations Center (SOC), similar to that managed by MNIT. FAST's SOC monitors each of its hosted customer systems, using specialized system knowledge and shared infrastructure to enhance security and safeguard operations for each of its customers.

DPS offers several ways to securely access driver and vehicle data electronically through MNDRIVE. The data elements and format provided through each of these methods differ slightly. The e-Services for Business online portal allows data purchasers to search for and view individual driving and vehicle records and manage their accounts online. Entities may also customize their existing systems to interface and retrieve driver and vehicle data through a MNDRIVE API. MNDRIVE maintains a detailed audit log, identifying when any record is accessed via these methods. Finally, purchasers may subscribe to receive bulk data, which provides them with large, regularly updated sets of records in a delimited file format, made available via MNIT's file transfer portal.

As part of the online offerings from DPS in MNDRIVE, DPS launched MyDVS, a portal for Minnesota drivers, in the summer of 2023. MyDVS enables an individual to perform various online transactions for their driver's license and registered vehicles. Individuals may also purchase their own driving record through MyDVS.

²⁶ MNDRIVE is Minnesota's implementation of the FAST commercial, off-the-shelf driver and vehicle system.



OLA

Audit Scope, Objectives, and Methodology

We conducted this audit to determine whether the Department of Public Safety (DPS), along with Minnesota IT Services (MNIT), complied with the requirements we tested. We last audited DPS's sale of driver and vehicle records in 2019 and released that audit report in 2020.²⁷ That report contained seven findings. As part of this audit, we reviewed those prior audit findings and determined whether DPS had resolved them. The audit scope also included controls and compliance related to permissible disclosures and data privacy, audit requirements, fee collection and deposit of receipts, and select information technology controls. The period under examination was July 1, 2022, through December 31, 2024.

We conducted this performance audit in accordance with generally accepted government auditing standards.²⁸ Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. When sampling was used, we used a sampling method that complies with generally accepted government auditing standards and that supports our findings and conclusions. That method does not, however, allow us to project the results we obtained to the populations from which the samples were selected.

We assessed internal controls against the internal control standards published by the U.S. Government Accountability Office.²⁹ To identify compliance criteria for driver and vehicle data sales, we examined state and federal laws, state administrative rules, state contracts, policies and procedures established by DPS, and information security standards established by MNIT.³⁰

²⁷ Office of the Legislative Auditor, Financial Audit Division, *Minnesota Department of Public Safety—Sales of Driver and Vehicle Records: Internal Controls and Compliance Audit* (St. Paul, 2020).

²⁸ Comptroller General of the United States, Government Accountability Office, *Government Auditing Standards, 2018 Revision* (Washington, DC, Technical Update April 2021).

²⁹ Comptroller General of the United States, Government Accountability Office, *Standards for Internal Control in the Federal Government* (Washington, DC, September 2014). In September 2014, the State of Minnesota adopted these standards as its internal control framework for the executive branch.

³⁰ This report's Appendix displays the specific compliance requirements we tested.

Authorized Disclosures, Data Privacy, Purchaser Contracts, and Audit Requirements

We designed our work to determine whether DPS had adequate controls and complied with the federal and state legal requirements we tested (as listed in the Appendix). Exhibit 5 lists the areas we tested related to data privacy, disclosures, purchaser contracts, and audit requirements; our methodology for testing those areas; and the results of our tests.

Exhibit 5

Authorized Disclosures, Data Privacy, Purchaser Contracts, and Audit Requirements: Areas Tested, Testing Methodology, and Results

Area Tested	Testing Methodology	Result
DPPA and Minnesota Legal Compliance	- We reviewed controls within MNDRIVE to comply with key legal requirements. - We examined controls implemented within MNDRIVE to restrict access to data.	No significant issues
Data Purchaser Contracts	- We inspected each of the data subscriber (8) contracts for required audit and standard driver's license and ID card language. - We inspected each of the API purchaser (10) contracts for standard driver's license and ID card language. - We reviewed how data access agreements and certification statements were acknowledged and stored within e-Services for Business.	See Finding 2 on page 20, prior audit finding partially resolved
Independent Biennial Audit Requirement	- We inspected the biennial audit report and results from DPS's 2021 MNDRIVE third-party audit. - We confirmed whether DPS had completed additional biennial audits and submitted the audit reports to the required parties.	See Finding 1 on page 19
Internal Access Monitoring and Audits	- We reviewed DPS's processes for monitoring record access within MNDRIVE. - We reviewed and inspected access reports and records logging user actions throughout the MNDRIVE system.	No issues
Subscriber Audits	- We reviewed DPS's process for obtaining and reviewing the required annual subscriber audits. - We tested to determine whether each subscriber had obtained the required audits during our audit period.	No issues; prior audit finding resolved

Source: Office of the Legislative Auditor.

Data Sales

We designed our work to determine whether DPS accurately collected subscription and data record fees and deposited them in compliance with requirements we tested (as listed in the Appendix). We also examined DPS's related internal controls. Exhibit 6 lists the specific areas we tested related to data sales fees, our methodology for testing those areas, and the results of our tests.

Exhibit 6

Fees, Invoicing, and Deposits: Areas Tested, Testing Methodology, and Results

Area Tested	Testing Methodology	Result
Fees	We examined the reference tables within MNDRIIVE defining the fee types and values for accuracy and compliance with statutes.	No issues; prior audit findings resolved
Invoice Accuracy	We examined and recalculated all invoice totals within our audit scope to determine accuracy.	No issues
Deposits	- We examined account setup screens within the state's accounting system for accuracy and compliance with statutes. - We examined and recalculated a judgmental sample of four MNDRIIVE deposits recorded in SWIFT, representing each deposit location configuration, to determine deposit accuracy and compliance with statutes.	No issues; prior audit finding resolved
Custom Data Sets	- We reviewed how DPS sets and calculates fees for technical staff to create custom data sets. - We tested all three invoices for custom data sets produced during our audit scope.	No significant issues
Interest	- We reviewed procedures used by DPS to charge and collect interest on overdue accounts. - We calculated the amount of interest charged during our audit scope.	See Finding 3 on page 21

Source: Office of the Legislative Auditor.

Information Technology Control and Compliance

We designed our work to determine whether DPS and MNIT had implemented effective information security controls and provided data securely in compliance with the requirements we tested (as listed in the Appendix). Exhibit 7 lists the areas we tested related to the security of MNDRIVE, our methodology for testing those areas, and the results of our tests.

Exhibit 7

MNDRIVE Security and Data Access: Areas Tested, Testing Methodology, and Results

Area Tested	Testing Methodology	Result
System Security	- We interviewed MNIT Information Security staff, and examined the MNDRIVE System Security Plan, network diagrams, and application security plan to gain an understanding of system security controls. - We examined system security and hosting portions of the MNDRIVE contract with FAST. - We examined documentation relating to API security and functionality. - We examined system security documentation and network diagrams for the FTP system.	No significant issues
Identity and Access Management	- We examined select identity and access management controls for e-Services for Business, MNDRIVE APIs, and MyDVS. - We tested a random sample of 40 of the 820 total accounts, along with all 7 federal agency e-Services for Business accounts, to determine if access had been granted correctly.	No issues
Driver and Vehicle Record Data Elements	We inspected driver and vehicle records within e-Services for Business, API responses, and bulk data files to determine whether inappropriate or unexpected data elements displayed.	See Finding 4 on page 22
Logging	We examined MNDRIVE logs to determine whether records accessed via e-Services for Business, the API, and MNDRIVE itself were logged accurately.	No issues
Invoices	- We examined the accuracy of invoices generated for e-Services for Business and API record requests. - We examined the accuracy of a judgmental sample of four invoices, representing complete driver and vehicle data sets and one month of updates, for subscription bulk data and validated that the number of records provided to subscribers matched those recorded by MNDRIVE and within the invoices.	No issues

Source: Office of the Legislative Auditor.

Findings and Recommendations

Independent Biennial Audit Requirement

Minnesota statutes require the Department of Public Safety (DPS) to obtain an independent biennial audit of the Driver and Vehicle Services (DVS) information system, effective and beginning on October 1, 2018.³¹ Per statute, the audit must determine whether data currently in the system are classified correctly, determine how the data are used, and verify statutory compliance related to system access controls, logging/monitoring, and disciplinary action for misuse. To comply with statute, DPS must also provide the results of the audit to the Department of Administration, certain legislative committees, the Legislative Commission on Data Practices and Personal Data Privacy, the Legislative Reference Library, the State Library, and the Minnesota Historical Society.³²

FINDING 1

The Department of Public Safety has neither obtained the required audit of the driver and vehicle services information system on a biennial basis nor submitted the audit report, as required by statute.

Following a biennial schedule starting on the effective date of the statute (October 1, 2018), DPS should have obtained the audit by October 2020. However, DPS did not obtain the required audit until 2021, receiving the final report from the third-party auditor in September 2021.³³ DPS staff were unable to provide any evidence demonstrating that the 2021 report had been submitted to the required legislative parties. Our office confirmed with the Legislative Reference Library that it had not received a copy of the report since the requirement was introduced.³⁴

Additionally, DPS did not obtain a second biennial audit at any point during our two-and-a-half-year audit scope. DPS rolled out MNDRIVE in November 2020 and worked to decommission the problematic Minnesota Licensing and Registration System (MNLARS) in March 2021. DPS's focus prioritizing these high-risk projects provides some explanation for the delay.

While we were conducting our audit of data sales, DPS contracted with a third-party auditor in April 2025 to obtain the required audit. DPS submitted a summary of the completed report and its findings to the required legislative parties on September 8,

³¹ *Minnesota Statutes* 2024, 171.12, subd. 1a(d).

³² *Minnesota Statutes* 2024, 171.12, subd. 1a(d); and 3.195.

³³ The audit resulted in no findings.

³⁴ Per *Minnesota Statutes* 2024, 3.195, the Legislative Reference Library must receive a copy of the report.

2025. The report included three findings and recommendations for improvement. The next biennial audit should occur in 2027.

RECOMMENDATION

The Department of Public Safety should obtain the biennial audit and submit its audit reports, as required by state statute.

Subscriber Contracts

Minnesota statutes require driver and vehicle data subscribers to obtain an annual audit to assess information security procedures, how DVS data are processed and used, and the subscriber's compliance with Minnesota's standard license immigration certification.³⁵ The subscriber must then submit the report to both DPS and our office within 30 days of receipt. Our 2020 audit report identified that DPS had not included the statutory requirement for these audits in its service agreements with bulk purchasers and recommended that DPS cite the statute and design and implement controls to ensure that its subscribers comply with state law.³⁶

FINDING 2 *Prior Audit Finding Partially Resolved*

The Department of Public Safety did not include language in one of its data subscriber contracts requiring an annual independent third-party audit.

DPS has eight driver and vehicle data subscription service customers. In our testing of each of these subscriber's contracts with DPS, we noted that the statutory audit language was not included within the current contract for one subscriber. Following our 2020 audit, DPS had added the language, by amendment, to the subscriber's contract. However, when DPS updated the contract for 2024, it neglected to incorporate the amendment into the new contract. As stated in our 2020 report, we believe that including the statutory citation would ensure that subscribers are aware of the audit elements required by state law.

We validated that DPS's contract template includes the necessary language. DPS staff told us that the requirement was "inadvertently" left out of the subscriber's 2024 contract, but they still expect the them to follow the law.

³⁵ *Minnesota Statutes* 2024, 168.327, subd. 6.

³⁶ Office of the Legislative Auditor, Financial Audit Division, *Minnesota Department of Public Safety—Sales of Driver and Vehicle Records: Internal Controls and Compliance Audit* (St. Paul, 2020). Finding 1. The statutory language at the time of our 2020 audit required "each subscriber and each requester of bulk vehicle records," including custom bulk dataset purchasers, to obtain an annual audit. *Laws of Minnesota* 2021, First Special Session, Chapter 5, art. 4, sec. 42, amended the language in *Minnesota Statutes* 168.327, subd. 6, to specifically require subscribers defined under *Minnesota Statutes* 168.327, subds. 4 and 5a, to obtain the annual audit.

Despite the requirement being absent from the contract, the subscriber obtained and submitted the required audit in late 2024, as required by statute.

RECOMMENDATION

The Department of Public Safety should ensure that each of its subscriber contracts includes the statutory language requiring a third-party annual audit.

Data Sales Invoicing and Interest Charges

Minnesota statutes direct state agencies to charge simple interest on debts owed to the state.³⁷ This interest must be charged at the rate annually set by the Minnesota Department of Revenue. Prior to collecting interest, agencies must notify their customers that unpaid invoices will accrue interest. This notice may take the form of a statement included on the invoices themselves, saying, “Interest will be charged if not paid within 30 days of the invoice date.”³⁸

FINDING 3

The Department of Public Safety charged interest on past-due invoices without providing the notice required by statute and applied an incorrect interest rate.

DPS’s invoices generated by MNDRIVE for data sales do not include a statement indicating that interest will be charged on overdue balances. Per statute, state agencies shall begin to charge interest 30 days “following the state agency’s first written demand for payment that includes notification to the debtor that interest will begin to accrue on the debt...”³⁹ DPS told us that it had based the design of the invoices in MNDRIVE on those produced by the state’s accounting system. However, Minnesota Management and Budget’s guidance indicates that invoices in the state’s accounting system must first be configured to include the statement regarding interest collection, as it does not appear automatically.

During our testing, we also noted that DPS charged a 5 percent interest rate throughout the audit period. However, the interest rate defined by the Department of Revenue changes annually and fluctuated between 3 and 8 percent during the scope of our audit. DPS overcharged interest on past-due invoices by 2 percent in calendar year 2022 and undercharged interest by 3 percent in calendar year 2024. DPS told us it had not

³⁷ *Minnesota Statutes* 2024, 16D.13.

³⁸ Minnesota Management and Budget, Statewide Operating Procedure 0504-01.01, *Debt Collection Process and Actions*, revised March 9, 2021, <https://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-5/0504-01-01-debt-collection-procedure.pdf>.

³⁹ *Minnesota Statutes* 2024, 16D.13.

updated the interest rate set in MNDRIVE since 2019 and was unaware of the annual rate change.

Although this issue presents a problem that DPS must remedy, the overall interest charged by DPS is minimal. In total, DPS charged 207 data purchasers \$5,143.32 in interest during our 2.5-year audit scope. Overall, this included 874 interest charges, of which 696 (approximately 80 percent) were less than \$1. The largest monthly interest charge was \$123.37.

To address this finding, DPS told us it is implementing a procedure to review and update the interest rates set in MNDRIVE annually and will update its invoices to include a statement indicating that it will charge interest on overdue balances.

RECOMMENDATIONS

- **The Department of Public Safety should modify its MNDRIVE invoices to include a statement that interest will be charged on past-due balances.**
 - **The Department of Public Safety should annually update the interest rate used in the MNDRIVE system to the interest rate as established by the Department of Revenue.**
 - **The Department of Public Safety should consider correcting customer accounts for past interest over and underpayments.**
-

Driving Record Firearm Data

When Minnesota first began implementing REAL ID, the 2017 Legislature established provisions to safeguard data related to firearms. Specifically, Minnesota statutes directed DPS not to share with any federal agency, federal department, or federal entity data the department maintains about individuals holding Department of Natural Resources Firearms Safety or Advanced Hunter certificates or other firearm purchase and ownership data.⁴⁰

FINDING 4

The Department of Public Safety included Department of Natural Resources firearm indicators in driving records accessible online by federal entities through e-Services for Business, in violation of state statute.

The indicators discussed in this section are not available in the bulk data feeds provided to subscribers or via data accessed through DPS's driver record API. However, DPS does provide the Department of Natural Resources Firearms Safety or Advanced Hunter

⁴⁰ *Laws of Minnesota 2017*, Chapter 76, sec. 22, codified as *Minnesota Statutes 2024*, 171.12, subd. 7c.

certificate indicators in individual records accessed or purchased online through its e-Services for Business portal.

Minnesota statutes explicitly state that DPS may not share the Firearm Safety or Advanced Hunter certificate indicators with federal entities.⁴¹ However, several federal agencies, including the U.S. Department of Health and Human Services, Federal Motor Carrier Safety Administration, Internal Revenue Service, Office of the Federal Public Defender, and United States Food and Drug Administration, have access to view individual driving records via e-Services for Business. The DPS program administrators we spoke with were not aware of the requirement not to share this information with federal entities.

RECOMMENDATION

The Department of Public Safety should ensure that no federal entities have access to Department of Natural Resources firearm indicators contained in driving records.

⁴¹ *Minnesota Statutes* 2024, 171.12, subd. 7c.



OLA

Appendix:

Compliance Requirements Tested

Authorized Disclosures, Data Privacy, Purchaser Contracts, and Audit Requirements

Compliance Requirement	Area Tested
• 18 U.S. Code, secs. 2721–2725 (2024) • <i>Minnesota Statutes</i> 2024, 168.346 • <i>Minnesota Statutes</i> 2024, 171.12 • <i>Minnesota Statutes</i> 2024, 3.195 • <i>Minnesota Statutes</i> 2024, 3.9741	• Data dissemination controls • Standard license data dissemination • Data purchaser contracts • Independent biennial audit of the DVS information system • Annual subscriber audits • Internal access monitoring and audit

Data Sales: Fees, Invoicing, and Deposits

Compliance Requirement	Area Tested
• <i>Minnesota Statutes</i> 2024, 3.9741 • <i>Minnesota Statutes</i> 2024, 168.327 • Minnesota Management and Budget, Statewide Operating Policy 0602-01, <i>Recording and Depositing Receipts</i>, revised November 2022	• Data sales fees: ○ Individual in person and by mail ○ API and e-Services for Business ○ Subscription ○ Custom data set and technical fees ○ Surcharges • Invoice accuracy • Fee deposits
• <i>Minnesota Statutes</i> 2024, 16D.13 • <i>Minnesota Statutes</i> 2024, 270C.40 • Minnesota Management and Budget: ○ Statewide Operating Policy 0504-01, <i>Debt Collection Process and Actions</i>, revised March 9, 2021 ○ Statewide Operating Procedure 0504-01.01, <i>Debt Collection Process and Actions</i>, revised March 9, 2021	• Interest collection, rates, and deposits

MNDRIVE Security and Data Access

Compliance Requirement	Area Tested
• <i>Minnesota Statutes 2024, 171.07</i> • Minnesota IT Services: ○ <i>Identity, Credential, and Access Management Standard, version 1.7, revised December 31, 2024</i> ○ <i>Security Logging and Monitoring Standard, version 1.8, revised December 31, 2024</i> ○ <i>Secure Configuration Standard, version 1.8, revised December 31, 2024</i> ○ <i>Secure Systems Development and Acquisition Standard, version 1.8, revised December 31, 2024</i> ○ <i>Threat and Vulnerability Management Standard, version 1.7, revised October 1, 2023</i> • U.S. National Institute of Standards and Technology: ○ <i>Special Publication 800-53, Rev. 5, Security and Privacy Controls for Information Systems and Organizations</i> ○ <i>Special Publication 800-228, Initial Public Draft, Guidelines for API Protection for Cloud-Native Systems</i>	• Information system security controls • Identity and access management controls • Driver and vehicle record data elements • Access logging and monitoring • Invoice generation and accuracy



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September 15, 2025

Judy Randall, Legislative Auditor
Office of the Legislative Auditor
140 Centennial Office Building
658 Cedar Street
Saint Paul, MN 55155

Dear Auditor Randall:

Thank you for the opportunity to review and respond to the Office of Legislative Auditor's (OLA) audit of the Minnesota Department of Public Safety's (DPS) – Driver and Vehicle Data Sales. Under Minnesota law, DPS is required to share and sell the data it collects as part of issuing driver's licenses and ID cards and titling and registering vehicles. DPS does this through its Driver and Vehicle Services division (DVS). The sale and distribution of that data by DVS must be in accordance with both state and federal law.

The OLA audit reviewed data sales between July 1, 2022, and December 31, 2024, and found DVS to be mostly compliant with the legal, financial, and technical requirements for selling data. The OLA did, however, identify areas for improvement, which DVS is committed to implementing and, in some cases, has already done so.

The OLA reported the following audit findings and recommendations related to DPS's Driver and Vehicle Data Sales.

OLA Finding 1

- The Department of Public Safety has neither obtained the required audit of the driver and vehicle services information system on a biennial basis nor submitted the audit report, as required by statute.

OLA Recommendation pertaining to Finding 1

- The Department of Public Safety should obtain the biennial audit and submit its audit reports, as required by state statute.

DPS Response to Finding 1

- **Narrative Response:** DPS agrees with the OLA that it did not obtain the required audit in 2023 and therefore did not submit the required report in 2023.
- **Current Status:** Resolved.
- **Corrective Action:** DPS completed and filed an audit in 2025.
- **Completion Date:** September 8, 2025.
- **Barriers to completion:** Obtaining a biennial security audit for DVS's MNDRIVE database is a time intensive and costly process. DPS will work with the Legislature to explore reducing the frequency with which an audit is required.
- **Person Responsible:** DVS Director of Risk Management and Budget Don Knoph oversaw the 2025 security audit and resolved this finding.

OLA Finding 2

- Prior Audit Finding Partially Resolved. The Department of Public Safety did not include language in one of its data subscriber contracts requiring an annual independent third-party audit.

OLA Recommendation pertaining to Finding 2

- The Department of Public Safety should ensure that each of its subscriber contracts includes the statutory language requiring a third-party annual audit.

DPS Response to Finding 2

- **Narrative Response:** DPS agrees with the OLA's finding and supports the OLA's recommendation. DPS acknowledges that a clerical error occurred, and the statutory language was not included in one updated subscriber contract.
- **Current Status:** Resolved.
- **Corrective Action:** DPS amended the subscriber contract at issue to include the required language. Additionally, DPS is exploring the creation of an automated contract renewal system for data subscribers, which will reduce clerical errors in the future.
- **Completion Date:** June 10, 2025.
- **Barriers to completion:** None.
- **Person Responsible:** DVS Internal Controls and Contracts Representative Amanda Torres resolved this finding.

OLA Finding 3

- The Department of Public Safety charged interest on past-due invoices without providing the notice required by statute and applied an incorrect interest rate.

OLA Recommendations pertaining to Finding 3

- The Department of Public Safety should modify its MNDRIVE invoices to include a statement that interest will be charged on past-due balances.
- The Department of Public Safety should annually update the interest rate used in the MNDRIVE system to the interest rate as established by the Department of Revenue.
- The Department of Public Safety should consider correcting customer accounts for past interest over and underpayments.

DPS Response to Finding 3

- **Narrative Response:** DPS acknowledges that the data subscriber invoices generated by MNDRIVE did not provide notice that interest would be charged on past due amounts. It further acknowledges that the interest rate set in MNDRIVE was not the annual rate established by the Department of Revenue. This means some data subscribers who failed to pay their invoice within 30 days were either undercharged or overcharged interest on the past-due amount.
- **Current Status:** Resolved.
- **Corrective Action:** DPS modified its MNDRIVE invoices to include a statement that interest will be charged. DPS also programmed MNDRIVE to update the interest rate on an annual basis, using the rate established by the Department of Revenue. DPS is evaluating options for correcting customer accounts for past interest over and underpayments.
- **Potential Barriers to Resolution:** None.
- **Completion Date:** Invoices in MNDRIVE were changed as of June 12, 2025, to include notice of interest being charged after 30 days. The interest rate was updated in MNDRIVE on July 1, 2025, to the rate set by the Minnesota Department of Revenue for 2025.
- **Person Responsible:** Driver and Vehicle Services Finance Director Katherine Ho resolved this finding.

OLA Finding 4

- The Department of Public Safety included Department of Natural Resources firearm indicators in driving records accessible online by federal entities through e-Services for Business, in violation of state statute.

OLA Recommendation pertaining to Finding 4

- The Department of Public Safety should ensure that no federal entities have access to Department of Natural Resources firearm indicators contained in driving records.

DPS Response to Finding 4

- **Narrative Response:** DPS acknowledges that the firearm safety training designation was accessible to some data subscribers, including a limited number of federal entities who have lawful access to driver's license data under federal law.
- **Current Status:** Resolved.
- **Corrective Action:** DPS completed a programming change in MNDRIVE that removes the firearm safety training designation from the subscriber access system.
- **Potential Barriers to Resolution:** Not applicable.
- **Completion Date:** August 28, 2025.
- **Person Responsible:** Driver and Vehicle Services Data Practices Administrator Katherine Madigan resolved this finding.

Thank you again for the opportunity to participate and respond to the OLA's findings and recommendations. We appreciate your efforts to help DPS strengthen its internal controls.



Bob Jacobson
Commissioner, Department of Public Safety



OLA



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