



LANCASTER COUNTY TREASURER  
ANDY STEBBING

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William E. Jarrett  
*Chief Deputy*

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October 14, 2014

Honorable John Gale  
Secretary of State  
P.O. Box 94608  
Lincoln, NE 68509-4608

Dear Chairman Gale,

I am writing to request the Nebraska State Records Board and the State DMV consider a review of the State DMV program portal fees (convenience fees) for both echeck (paying with a checking/savings account) and credit cards. Upon completing some comparisons with other government industry ecommerce solutions, the fees charged by the current Nebraska State Records Board/State DMV vendor seems disproportionate to other industry vendors providing services to government entities.

My office renegotiated services this last year with our current vendor providing both echeck and credit card acceptance services. The new contract terms negotiated a 50% reduction in echeck service convenience fees (paying with a checking/savings account) and a reduction in the credit card processing costs.

Additionally, I would also encourage the State DMV consider placing a portal fee calculator on the DMV initial payment page. This would allow for more transparency in the disclosure of fees related to online payments. Another feasible option in lieu of a fee calculator would be to include verbiage that would disclose the percentage charged or applicable fees at the start of the transaction. Many complaints received by my office revolve around the disclosure of the fees related to these services late in the transaction process.

Thank you for your consideration of this request.

Andy Stebbing  
County Treasurer

CC: Honorable Dave Heineman, Governor  
Rhonda Lahm, Director, State of Nebraska DMV  
Betty Johnson, Vehicle Services Administrator, State of Nebraska DMV



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Honorable Mike Foley, Auditor of Public Accounts  
Honorable Don Stenberg, Nebraska State Treasurer  
Honorable Jon Bruning, Attorney General  
Gerry Oligmueller, Acting Director of Administrative Services  
Greg Osborn, Board Member, Nebraska State Records Board  
Crystal Wichita, Board Member, Nebraska State Records Board  
Brenda Ealey, Board Member, Nebraska State Records Board  
Mike Konz, Board Member, Nebraska State Records Board  
Scott Keene, Board Member, Nebraska State Records Board  
Brian Buescher, Board Member, Nebraska State Records Board  
Larry Dix, Executive Director, NACO  
Larry Hudkins, Chair, Lancaster County Board of Commissioners



# STATE OF NEBRASKA

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**JOHN A. GALE**  
**SECRETARY OF STATE**

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October 31, 2014

Lancaster County Treasurer Andy Stebbing  
555 South 10<sup>th</sup> Street Suite 102  
Lincoln, NE 68505

Dear Treasurer Stebbing,

Thank you for your letter dated October 14, 2014, requesting that the Nebraska State Records Board and the State DMV consider a review of the State DMV program portal fees (convenience fees) for both echeck (paying with a checking/savings account) and credit cards.

You state a concern that the fees charged by the current Nebraska State Records Board/DMV vendor seems disproportionate to other industry vendors providing services to government entities.

As you probably know, there are some 268 online services provided to state and local subdivision agencies through the portal network vendor, Nebraska Interactive, Inc. (NII), one of 28 state affiliates of National Information Consortium (NIC). NII has won three RFP public bidding proposals over a period of 16 years, and there will be a new RFP being issued in the near future to put this network portal vendor contract out for potential bidder review and participation.

During the contract with NII, the Nebraska State Records Board has approved a meaningful number of new online services with proposed convenience fees related to the Department of Motor Vehicles. Governor Heineman has been very urgent and supportive of these online applications to provide user-friendly online opportunities for citizens dealing with the DMV. The NSRB consists of 12 members which includes the five constitutional executive officers and representatives of five industries (banking, law, media, libraries, and insurance), plus the Director of the Department of Administrative Services (DAS) and a public representative. The NSRB has reviewed and approved the proposed online service fees associated with DMV applications.

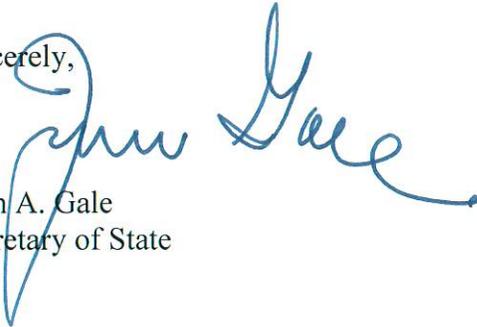
There are a number of things that might be quite different in this statewide portal network service than what individual agency vendors might be charging for online payment services to single

agencies The State's current portal contract utilizes the self-funded model, whereby the state's portal manager must fund its operations and infrastructure through user fees. There are considerable services provided by NII to the state such as furnishing all of the design, development, launching and maintenance of online applications without charge to the state. NII is also responsible for maintenance and updates to the state website, maintaining a number of state agency websites, as well as all of the infrastructure costs such as hardware, software, and network costs associated with the portal. In addition, a portion of NII revenue is used by the NSRB to provide grants to state and local government agencies to improve public access to information and services.

The Nebraska State Records Board will consider your concerns at a meeting in the near future and have a dialogue with Rhonda Lahm, Director of the Department of Motor Vehicles regarding those concerns. DMV approved each of the fee structures for each online service being offered, so such fees receive considerable oversight.

Thank you for expressing your thoughts on this subject as well as the other subjects in your letter. We appreciate hearing from users of the State Portal Network and user ideas on how to improve the services and to keep fees reasonable for all parties involved.

Sincerely,



John A. Gale  
Secretary of State