SECOND REGULAR SESSION

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1213

96TH GENERAL ASSEMBLY

4554L.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 136.055, RSMo, and to enact in lieu thereof one new section relating to fee office contracts.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 136.055, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 136.055, to read as follows:

136.055. 1. Any person who is selected or appointed by the state director of revenue as provided in subsection 2 of this section to act as an agent of the department of revenue, whose

3 duties shall be the processing of motor vehicle title and registration transactions and the

4 collection of sales and use taxes when required under sections 144.070 and 144.440, and who

5 receives no salary from the department of revenue, shall be authorized to collect from the party

requiring such services additional fees as compensation in full and for all services rendered on

7 the following basis:

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- (1) For each motor vehicle or trailer registration issued, renewed or transferred--three dollars and fifty cents and seven dollars for those licenses sold or biennially renewed pursuant to section 301.147;
 - (2) For each application or transfer of title--two dollars and fifty cents;
- 12 (3) For each instruction permit, nondriver license, chauffeur's, operator's or driver's 13 license issued for a period of three years or less--two dollars and fifty cents and five dollars for 14 licenses or instruction permits issued or renewed for a period exceeding three years;
 - (4) For each notice of lien processed--two dollars and fifty cents;
- 16 (5) No notary fee or other fee or additional charge shall be paid or collected except for electronic telephone transmission reception--two dollars.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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2. The director of revenue shall award fee office contracts under this section through a competitive bidding process. The competitive bidding process shall give priority to organizations and entities whose primary administrative office is located within the same county, legislative district, or senatorial district as the fee office bid upon that are exempt from taxation under Section 501(c)(3) [or], 501(c)(6), or 501(c)(19) of the Internal Revenue Code of 1986, as amended, and political subdivisions, including but not limited to, municipalities, counties, and fire protection districts, with a point preference given for the following:

- (1) Organizations and entities currently operating fee offices within the municipality or county shall be given points for the immediately preceding year of operation, with additional points awarded for each continuous five-year period of operation beyond the initial year;
- (2) Organizations and entities who have previously operated fee offices within the municipality or county shall be given points for a year of operation, with additional points awarded for each continuous five-year period of operation beyond the initial year;
- (3) Organizations and entities shall be given points based on lower administrative costs, with preference given to organizations and entities with lower such costs.
 - 3. Any nonprofit entity awarded a contract under this section shall:
- (1) Submit the most recent annual report to the director of the department of revenue, prior to February first of each year, which shall contain for the immediately preceding year:
 - (a) The net receipts of the fee office;
- (b) An itemization of all expenditures and administrative fees paid including both operating expenses and charitable contributions; and
 - (c) A list of all charities benefitting from fees collected under this section;
- (2) Prominently display at its business location all charitable entities benefitting from fees collected under this section.

The director of the department of revenue may promulgate rules and regulations necessary to carry out the provisions of this subsection **and subsection 2 of this section**. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this subsection shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be invalid and void.

- [3.] **4.** All fees collected by a tax-exempt organization may be retained and used by the organization.
 - [4.] 5. All fees charged shall not exceed those in this section. The fees imposed by this section shall be collected by all permanent offices and all full-time or temporary offices maintained by the department of revenue.
 - [5.] **6.** Any person acting as agent of the department of revenue for the sale and issuance of registrations, licenses, and other documents related to motor vehicles shall have an insurable interest in all license plates, licenses, tabs, forms and other documents held on behalf of the department.
 - [6.] 7. The fees authorized by this section shall not be collected by motor vehicle dealers acting as agents of the department of revenue under section 32.095 or those motor vehicle dealers authorized to collect and remit sales tax under subsection 8 of section 144.070.
 - [7.] **8.** Notwithstanding any other provision of law to the contrary, the state auditor may audit all records maintained and established by the fee office in the same manner as the auditor may audit any agency of the state, and the department shall ensure that this audit requirement is a necessary condition for the award of all fee office contracts. No confidential records shall be divulged in such a way to reveal personally identifiable information.

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