#### SECOND REGULAR SESSION

# **HOUSE BILL NO. 2121**

### 100TH GENERAL ASSEMBLY

#### INTRODUCED BY REPRESENTATIVE DINKINS.

4827H.01I

DANA RADEMAN MILLER, Chief Clerk

## **AN ACT**

To repeal section 136.055, RSMo, and to enact in lieu thereof one new section relating to department of revenue fee offices.

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- Section A. Section 136.055, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 136.055, to read as follows: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 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
- 6 requiring such services additional fees as compensation in full and for all services rendered on
- the following basis:
- 8 (1) For each motor vehicle or trailer registration issued, renewed or transferred, six 9 dollars and twelve dollars for those licenses sold or biennially renewed pursuant to section 301.147:
- 11 (2) For each application or transfer of title, six dollars;
- 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, six dollars and twelve dollars for licenses or
- 14 instruction permits issued or renewed for a period exceeding three years;
- 15 (4) For each notice of lien processed, six dollars;
- 16 (5) Notary fee or electronic transmission per processing, 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.

HB 2121 2

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17 2. (1) The director of revenue shall award fee office contracts under this section through 18 a competitive bidding process. The competitive bidding process shall give priority to 19 organizations and entities that are exempt from taxation under Section 501(c)(3), 501(c)(6), or 20 501(c)(4), except those civic organizations that would be considered action organizations under 26 C.F.R. Section 1.501 (c)(3)-1(c)(3), of the Internal Revenue Code of 1986, as amended, with 21 22 special consideration given to those organizations and entities that reinvest a minimum of 23 seventy-five percent of the net proceeds to charitable organizations in Missouri, and political subdivisions, including but not limited to, municipalities, counties, and fire protection districts.] 25 The director of the department of revenue [may] shall promulgate rules and regulations 26 necessary to carry out the provisions of this subsection. Any rule or portion of a rule, as that 27 term is defined in section 536.010, that is created under the authority delegated in this subsection 28 shall become effective only if it complies with and is subject to all of the provisions of chapter 29 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any 30 of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the 31 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the 32 grant of rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be 33 invalid and void.

- (2) Rules promulgated pursuant to subdivision (1) of this subsection shall include a preference for the following factors in the following order of importance:
- (a) In the case of a renewal of a fee office contract, persons and entities that are the current contract holders for such fee office location under this section and that are in compliance with the rules promulgated pursuant to subdivision (1) of this subsection. If the department utilizes any scoring mechanism for evaluating bids under this subsection, such scoring mechanism shall ensure a person or entity meeting the criteria of this paragraph shall be awarded a bonus of ten percent of the total available points;
- (b) Persons and entities that are based in the county in which the fee office will be located;
- (c) Persons and entities that are exempt from taxation under 26 U.S.C. Section 501(c)(3), 501(c)(6), or 501(c)(4), except those civic organizations that would be considered action organizations under 26 CFR Section 1.501 (c)(3)-1(c)(3), of the Internal Revenue Code of 1986, as amended; and
- (d) Persons and entities that reinvest a minimum of seventy-five percent of the net proceeds to charitable organizations in Missouri.
  - (3) No fee office contract shall be awarded to any person or entity:
- 51 (a) That is not in compliance with the rules promulgated pursuant to this 52 subsection; or

HB 2121 3

(b) That is not a resident of this state. For the purposes of this subdivision, "resident" shall have the same meaning as defined under section 143.101. In the case of for-profit corporations, each person with an ownership interest in such organization with the right to manage the company or direct its operations either solely or as part of a larger group shall be a resident of this state.

- (4) The department of revenue shall submit an annual report to the general assembly that provides information on each fee office contract awarded by the department, including the performance of each entity awarded a contract on any scoring mechanism used by the department for evaluating bids.
- 3. All fees collected by a tax-exempt organization may be retained and used by the organization.
- 4. 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. 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. 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 10 of section 144.070.
- 7. 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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