SECOND REGULAR SESSION

HOUSE BILL NO. 1768

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PERKINS.

3053H.01I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 136.055 and 301.469, RSMo, and to enact in lieu thereof two new sections relating to department of revenue fee offices.

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

Section A. Sections 136.055 and 301.469, RSMo, are repealed and two new sections 2 enacted in lieu thereof, to be known as sections 136.055 and 301.469, to read as follows:

enacted in fleu thereof, to be known as sections 136.055 and 301.469, to read as follows:

136.055. 1. Any person who is selected or appointed by the state director of revenue

- 2 as provided in subsection 2 of this section to act as an agent of the department of revenue,
- 3 whose duties shall be the processing of motor vehicle title and registration transactions and
- 4 the collection of sales and use taxes when required under sections 144.070 and 144.440, and
- 5 who 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 the following basis:
- (1) For each motor vehicle or trailer registration issued, renewed or transferred, [six] **nine** dollars and [twelve] **eighteen** dollars for those licenses sold or biennially renewed pursuant to section 301.147;
 - (2) For each application or transfer of title, [six] nine 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] nine dollars and [twelve] eighteen
- 14 dollars for licenses or instruction permits issued or renewed for a period exceeding three
- 15 years;

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- 16 (4) For each notice of lien processed, [six] nine dollars;
- 17 (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.

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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 that are exempt from taxation under Section 501(c)(3), 501(c)(6), or 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 special consideration given to those organizations and entities that reinvest a minimum of 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. Notwithstanding any law to the contrary, the director of revenue shall not award any fee office contract under this section to any entity affiliated in any manner with a current employee of the department of revenue or with a former employee of the department of revenue for the one-year period following the former employee's termination of employment with the department. For purposes of this subsection, "affiliated in any manner" includes owning the entity that is applying for a fee office contract, or serving as an officer or board member of such entity. The director of the department of revenue may promulgate rules and regulations necessary to carry out the provisions of this subsection. 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. Except as otherwise provided in subsection 8 of this section, all fees authorized under this section collected by a [tax-exempt organization] contract fee office may be retained and used by the [organization] entity operating the contract fee office, and all fees authorized under this section collected by a fee office operated by the department of revenue shall be considered state revenue.
- 4. All fees charged shall not exceed those in this section. The fees [imposed by] authorized under this section [shall] may be collected by all [permanent] contract fee offices and shall be collected by all full-time or temporary offices [maintained] operated 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.

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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.
- 8. Notwithstanding any other provision of law to the contrary, one dollar of any fee authorized and charged under subdivision (1), (2), (3), or (4) of subsection 1 of this section by a fee office not operated by the department of revenue shall be remitted to the license office distribution fund established under subsection 9 of this section. Moneys remitted to the license office distribution fund under this subsection shall be held in trust for the entities awarded fee office contracts under this section and shall not be considered state revenue. In the event a court of competent jurisdiction issues a final judgment specifying that moneys remitted under this subsection is subject to Article IV, Section 30(b) of the Missouri Constitution, the provisions of this subsection shall be null and void.
- 9. (1) There is hereby created in the state treasury the "License Office Distribution Fund", which shall consist of moneys collected as provided under subsection 8 of this section. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and shall be used solely for the purposes specified in this subsection.
- (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.
- (3) The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.
- (4) Beginning after December 31, 2025, but no later than February 15, 2026, quarterly disbursements shall be made from the fund to the fee offices awarded contracts under this section. Except as otherwise specified in subdivision (5) of this subsection, the disbursement to each fee office shall be equal. The total funds disbursed following each quarter shall be equal to the amount of funds received by the fund under subsection 8 of this section during the quarter.

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(5) Quarterly disbursements under this subsection shall be distributed to the entity holding each fee office contract when the quarterly disbursement occurs; provided that, in the case that a contract fee office transitions between two contractors during the quarter, the disbursement for that fee office shall be divided between the contractors in proportion to the number of transactions the office processed under each contractor during the quarter for which the transfer is taking place.

- (6) Quarterly disbursements under this subsection shall be made as follows:
- (a) Disbursements for transactions occurring from January first to March thirty-first shall occur no later than May fifteenth of each year;
- (b) Disbursements for transactions occurring from April first to June thirtieth shall occur no later than August fifteenth of each year;
- (c) Disbursements for transactions occurring from July first to September thirtieth shall occur no later than November fifteenth of each year;
- (d) Disbursements for transactions occurring from October first to December thirty-first shall occur no later than February fifteenth of the following calendar year each year.
- 301.469. 1. Any vehicle owner may receive license plates as prescribed in this section, for any motor vehicle such person owns, either solely or jointly, other than an apportioned motor vehicle or a commercial motor vehicle licensed in excess of twenty-four thousand pounds gross weight, after an annual payment of an emblem-use authorization fee to the Missouri conservation heritage foundation. The foundation hereby authorizes the use of its official emblems to be affixed on multiyear license plates as provided in this section. Any vehicle owner may annually apply for the use of the emblems.
 - 2. Upon annual application and payment of a twenty-five dollar emblem-use authorization fee to the Missouri conservation heritage foundation, the foundation shall issue to the vehicle owner, without further charge, an emblem-use authorization statement, which shall be presented to the director of the department of revenue at the time of registration of a motor vehicle.
 - 3. Upon presentation of the annual statement, payment of a fifteen dollar fee in addition to the regular registration fees and documents which may be required by law, the director of the department of revenue shall issue a license plate, which shall bear an emblem of the Missouri conservation heritage foundation in a form prescribed by the director, to the vehicle owner. Such license plates shall be made with fully reflective material with a common color scheme and design, shall be clearly visible at night, and shall be aesthetically attractive, as prescribed by section 301.130. Notwithstanding the provisions of section 301.144, no additional fee shall be charged for the personalization of license plates pursuant to this section.

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4. Application for the emblem-use authorization and payment of the twenty-five-dollar contribution may also be made at the time of registration to the director of the department of revenue, who shall deposit the contribution to the credit of the Missouri conservation heritage foundation.

- **5.** A vehicle owner, who was previously issued a plate with a Missouri conservation heritage foundation emblem authorized by this section but who does not provide an emblemuse authorization statement at a subsequent time of registration, shall be issued a new plate which does not bear the foundation emblem, as otherwise provided by law.
- 30 The director of the department of revenue may promulgate rules and regulations for the administration of this section. Any rule or portion of a rule, as that term is 31 defined in section 536.010, that is promulgated under the authority delegated in this section 32 shall become effective only if it has been promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect; 34 however, nothing in this section shall be interpreted to repeal or affect the validity of any rule 35 filed or adopted prior to August 28, 1999, if it fully complied with the provisions of chapter 36 37 536. This section and chapter 536 are nonseverable and if any of the powers vested with the 38 general assembly pursuant to chapter 536 to review, to delay the effective date, or to 39 disapprove and annul a rule are subsequently held unconstitutional, then the grant of 40 rulemaking authority and any rule proposed or adopted after August 28, 1999, shall be invalid 41 and void.

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