

FIRST REGULAR SESSION

HOUSE BILL NO. 207

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HINMAN.

1119H.011

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Section A. Section 136.055, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 136.055, to read as follows: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 collection of sales and use taxes when required under sections 144.070 and 144.440, and 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 dollars and twelve dollars for those licenses sold or biennially renewed pursuant to section 301.147;]:~~

(a) **Nine dollars for annual registration; or**

(b) **Eighteen dollars for biennial registration;**

(2) **For each trailer registration issued, renewed, or transferred:**

(a) **Nine dollars for annual registration;**

(b) **Twenty-seven dollars for three-year registration; or**

(c) **Forty-five dollars for permanent registration;**

[~~2~~] (3) **For each application or transfer of title, [~~six~~] nine 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.

18 ~~[(3)]~~ (4) For each instruction permit, nondriver license, chauffeur's, operator's or
19 driver's license issued for a period of three years or less, ~~[six]~~ **nine** dollars and ~~[twelve]~~
20 **eighteen** dollars for licenses or instruction permits issued or renewed for a period exceeding
21 three years;

22 ~~[(4)]~~ (5) For each notice of lien processed, ~~[six]~~ **nine** dollars;

23 ~~[(5)]~~ (6) Notary fee or electronic transmission per processing, two dollars.

24 2. The director of revenue shall award fee office contracts under this section through
25 a competitive bidding process. The competitive bidding process shall give priority to
26 organizations and entities that are exempt from taxation under Section 501(c)(3), 501(c)(6), or
27 501(c)(4), except those civic organizations that would be considered action organizations
28 under 26 C.F.R. Section 1.501 (c)(3)-1(c)(3), of the Internal Revenue Code of 1986, as
29 amended, with special consideration given to those organizations and entities that reinvest a
30 minimum of seventy-five percent of the net proceeds to charitable organizations in Missouri,
31 and political subdivisions, including but not limited to, municipalities, counties, and fire
32 protection districts. **Notwithstanding any provision of law to the contrary, the director of**
33 **revenue shall not award any fee office contract under this section to any entity affiliated**
34 **in any manner with a current employee of the department of revenue or with a former**
35 **employee of the department of revenue for the one-year period following the former**
36 **employee's termination of employment with the department. For purposes of this**
37 **subsection, "affiliated in any manner" includes owning the entity or serving as an**
38 **officer or board member of such entity. Additionally, no person affiliated in any**
39 **manner with an entity awarded a fee office contract under this section shall be affiliated**
40 **in any manner with an entity acting as a motor vehicle title service agent as prescribed**
41 **in sections 301.112 to 301.119.** The director of the department of revenue may promulgate
42 rules and regulations necessary to carry out the provisions of this subsection. Any rule or
43 portion of a rule, as that term is defined in section 536.010, that is created under the authority
44 delegated in this subsection shall become effective only if it complies with and is subject to
45 all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
46 chapter 536 are nonseverable and if any of the powers vested with the general assembly
47 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a
48 rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
49 rule proposed or adopted after August 28, 2009, shall be invalid and void.

50 3. **Notwithstanding any other provision of law to the contrary, the director of**
51 **revenue shall have the authority to enter into a contract amendment or renewal, for any**
52 **contract for a fee office awarded through the competitive bidding process after**
53 **September 1, 2009, to extend such contract for up to a five-year period to begin after the**
54 **expiration date of such contract. The director of revenue shall evaluate performance**

55 **under the contract when deciding whether to enter into contract amendments or**
56 **renewals authorized in this subsection. Nothing shall obligate the director to offer such**
57 **extension or renewal. A competitively awarded contract may only be extended once**
58 **pursuant to this subsection.**

59 **4. Except as otherwise provided in subsection 9 of this section, all fees authorized**
60 **under this section collected by a [tax-exempt-organization] contract fee office may be**
61 **retained and used by the [organization] entity operating the contract fee office, and all fees**
62 **authorized under this section collected by a fee office operated by the department of**
63 **revenue shall be considered state revenue.**

64 ~~[4-]~~ **5. All fees charged shall not exceed those in this section. The fees [imposed by]**
65 **authorized under this section shall be collected by all [permanent] contract fee offices and**
66 **shall be collected by all full-time or temporary offices [maintained] operated by the**
67 **department of revenue.**

68 ~~[5-]~~ **6. Any person acting as agent of the department of revenue for the sale and**
69 **issuance of registrations, licenses, and other documents related to motor vehicles shall have**
70 **an insurable interest in all license plates, licenses, tabs, forms and other documents held on**
71 **behalf of the department.**

72 ~~[6-]~~ **7. The fees authorized by this section shall not be collected by motor vehicle**
73 **dealers acting as agents of the department of revenue under section 32.095 or those motor**
74 **vehicle dealers authorized to collect and remit sales tax under subsection 10 of section**
75 **144.070.**

76 ~~[7-]~~ **8. Notwithstanding any other provision of law to the contrary, the state auditor**
77 **may audit all records maintained and established by the fee office in the same manner as the**
78 **auditor may audit any agency of the state, and the department shall ensure that this audit**
79 **requirement is a necessary condition for the award of all fee office contracts. No confidential**
80 **records shall be divulged in such a way to reveal personally identifiable information.**

81 **9. Notwithstanding any other provision of law to the contrary, beginning April 1,**
82 **2026, one dollar of any fee authorized and charged under subdivision (1), (2), (3), (4), or**
83 **(5) of subsection 1 of this section by a fee office not operated by the department of**
84 **revenue shall be remitted to the license office distribution fund established under**
85 **subsection 10 of this section. Moneys remitted to the license office distribution fund**
86 **under this subsection shall be held in trust for the entities awarded fee office contracts**
87 **under this section and shall not be considered state revenue. In the event a court of**
88 **competent jurisdiction issues a final judgment specifying that moneys remitted under**
89 **this subsection are subject to Article IV, Section 30(b) of the Missouri Constitution, the**
90 **provisions of this subsection shall be null and void.**

91 **10. (1) There is hereby created in the state treasury the "License Office**
92 **Distribution Fund", which shall consist of moneys collected as provided under**
93 **subsection 9 of this section. The state treasurer shall be custodian of the fund. In**
94 **accordance with sections 30.170 and 30.180, the state treasurer may approve**
95 **disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys**
96 **in this fund shall be used solely for the purposes specified in this subsection.**

97 **(2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys**
98 **remaining in the fund at the end of the biennium shall not revert to the credit of the**
99 **general revenue fund.**

100 **(3) The state treasurer shall invest moneys in the fund in the same manner as**
101 **other funds are invested. Any interest and moneys earned on such investments shall be**
102 **credited to the fund.**

103 **(4) Beginning after June 30, 2026, but no later than August 15, 2026, quarterly**
104 **disbursements shall be made from the fund to the fee offices awarded contracts under**
105 **this section. Except as otherwise specified in subdivision (5) of this subsection, the**
106 **disbursement to each fee office shall be equal. The total funds disbursed following each**
107 **quarter shall be equal to the amount of moneys received by the fund under subsection 9**
108 **of this section during the quarter.**

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

115 **(6) Quarterly disbursements under this subsection shall be made as follows:**

116 **(a) Disbursements for transactions occurring from January first to March**
117 **thirty-first shall occur no later than May fifteenth of each year;**

118 **(b) Disbursements for transactions occurring from April first to June thirtieth**
119 **shall occur no later than August fifteenth of each year;**

120 **(c) Disbursements for transactions occurring from July first to September**
121 **thirtieth shall occur no later than November fifteenth of each year; and**

122 **(d) Disbursements for transactions occurring from October first to December**
123 **thirty-first shall occur no later than February fifteenth of the following calendar year**
124 **each year.**