

SECOND REGULAR SESSION

# HOUSE BILL NO. 2640

## 103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HINMAN.

5935H.02I

JOSEPH ENGLER, Chief Clerk

### AN ACT

To repeal sections 136.055, 301.050, 302.177, and 306.015, RSMo, and to enact in lieu thereof four 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Section A. Sections 136.055, 301.050, 302.177, and 306.015, RSMo, are repealed  
2 and four new sections enacted in lieu thereof, to be known as sections 136.055, 301.050,  
3 302.177, and 306.015, 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  
6 party requiring such services additional fees as compensation in full and for all services  
7 rendered on the following basis:

- 8 (1) For each motor vehicle registration issued, renewed, or transferred:
  - 9 (a) Nine dollars for annual registration; or
  - 10 (b) Eighteen dollars for biennial registration;
- 11 (2) For each trailer registration issued, renewed, or transferred:
  - 12 (a) Nine dollars for annual registration;
  - 13 (b) Twenty-seven dollars for three-year registration; or
  - 14 (c) Forty-five dollars for permanent registration;
- 15 (3) For each application or transfer of title, 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.

16 (4) For each instruction permit, nondriver license, chauffeur's, operator's or driver's  
17 license issued for a period of three years or less, nine dollars and eighteen dollars for licenses  
18 or instruction permits issued or renewed for a period exceeding three years;

19 (5) For each notice of lien processed, nine dollars;

20 (6) Notary fee or electronic transmission per processing, two dollars.

21 2. (1) The director of revenue shall award fee office contracts under this section  
22 through a competitive bidding process. The competitive bidding process shall give priority to  
23 organizations and entities that are exempt from taxation under Section 501(c)(3), 501(c)(6), or  
24 501(c)(4), except those civic organizations that would be considered action organizations  
25 under 26 C.F.R. Section 1.501 (c)(3)-1(c)(3), of the Internal Revenue Code of 1986, as  
26 amended, with special consideration given to those organizations and entities that reinvest a  
27 minimum of seventy-five percent of the net proceeds to charitable organizations in Missouri,  
28 and political subdivisions, including but not limited to, municipalities, counties, and fire  
29 protection districts.

30 (2) **If there are no qualified bids received under subdivision (1) of this**  
31 **subsection, the director of revenue shall have the authority to enter into a contract with**  
32 **a political subdivision, service organization, or other reputable business to become the**  
33 **agent authorized to carry out the services described under subsection 1 of this section**  
34 **for the department. The director shall solicit and review at least two requests for**  
35 **proposal before awarding a contract under this subdivision.**

36 (3) Notwithstanding any provision of law to the contrary, the director of revenue shall  
37 not award any fee office contract under this section to any entity affiliated in any manner with  
38 a current employee of the department of revenue or with a former employee of the department  
39 of revenue for the one-year period following the former employee's termination of  
40 employment with the department. For purposes of this subsection, "affiliated in any manner"  
41 includes owning the entity or serving as an officer or board member of such entity.  
42 Additionally, no person affiliated in any manner with an entity awarded a fee office contract  
43 under this section shall be affiliated in any manner with an entity acting as a motor vehicle  
44 title service agent as prescribed in sections 301.112 to 301.119.

45 (4) The director of the department of revenue may promulgate rules and regulations  
46 necessary to carry out the provisions of this subsection. Any rule or portion of a rule, as that  
47 term is defined in section 536.010, that is created under the authority delegated in this  
48 subsection shall become effective only if it complies with and is subject to all of the  
49 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536  
50 are nonseverable and if any of the powers vested with the general assembly pursuant to  
51 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are

52 subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
53 proposed or adopted after August 28, 2009, shall be invalid and void.

54 3. Notwithstanding any other provision of law to the contrary, the director of revenue  
55 shall have the authority to enter into a contract amendment or renewal, for any contract for a  
56 fee office awarded through the competitive bidding process after September 1, 2009, to  
57 extend such contract for up to a five-year period to begin after the expiration date of such  
58 contract. The director of revenue shall evaluate performance under the contract when  
59 deciding whether to enter into contract amendments or renewals authorized in this subsection.  
60 Nothing shall obligate the director to offer such extension or renewal. A competitively  
61 awarded contract may only be extended once pursuant to this subsection.

62 4. All fees authorized under this section collected by a contract fee office may be  
63 retained and used by the entity operating the contract fee office, and all fees authorized under  
64 this section collected by a fee office operated by the department of revenue shall be  
65 considered state revenue.

66 5. All fees charged shall not exceed those in this section. The fees authorized under  
67 this section shall be collected by all contract fee offices and shall be collected by all full-time  
68 or temporary offices operated by the department of revenue.

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

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

76 8. Notwithstanding any other provision of law to the contrary, the state auditor may  
77 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.

301.050. 1. All registration fees shall be payable to the director of revenue and shall  
2 accompany the application for registration. A penalty fee of five dollars shall be paid on all  
3 delinquent registrations. Any motor vehicle on which the annual registration fee falls due  
4 prior to September 1, 1984, and which is delinquent shall thereafter be registered by the  
5 department of revenue to renew that annual registration at the fee in effect when the annual  
6 registration was due plus the penalty provided in this section.

7 2. Notwithstanding any provision of law to the contrary, all online registration  
8 renewal submissions shall be electronically forwarded to the local department of

9 **revenue fee office of the applicant's preference and shall be processed only by the local**  
10 **fee office so designated. For purposes of this section, "local department of revenue fee**  
11 **office" means an entity awarded a fee office contract by the department of revenue**  
12 **under section 136.055.**

302.177. 1. To all applicants for a license or renewal to transport persons or property  
2 classified in section 302.015 who are at least twenty-one years of age and under the age of  
3 seventy, and who submit a satisfactory application and meet the requirements of sections  
4 302.010 to 302.605, the director shall issue or renew such license; except that no license shall  
5 be issued if an applicant's license is currently suspended, cancelled, revoked, disqualified, or  
6 deposited in lieu of bail. Such license shall expire on the applicant's birthday in the sixth year  
7 of issuance, unless the license must be issued for a shorter period due to other requirements of  
8 law or for transition or staggering of work as determined by the director. The license must be  
9 renewed on or before the date of expiration, which date shall be shown on the license.

10 2. To all applicants for a license or renewal to transport persons or property classified  
11 in section 302.015 who are less than twenty-one years of age or greater than sixty-nine years  
12 of age, and who submit a satisfactory application and meet the requirements of sections  
13 302.010 to 302.605, the director shall issue or renew such license; except that no license shall  
14 be issued if an applicant's license is currently suspended, cancelled, revoked, disqualified, or  
15 deposited in lieu of bail. Such license shall expire on the applicant's birthday in the third year  
16 of issuance, unless the license must be issued for a shorter period due to other requirements of  
17 law or for transition or staggering of work as determined by the director. The license must be  
18 renewed on or before the date of expiration, which date shall be shown on the license. A  
19 license issued under this section to an applicant who is over the age of seventy-four and  
20 contains a school bus endorsement shall not be issued for a period that exceeds two years.

21 3. To all other applicants for a license or renewal of a license who are at least twenty-  
22 one years of age and under the age of seventy, and who submit a satisfactory application and  
23 meet the requirements of sections 302.010 to 302.605, the director shall issue or renew such  
24 license; except that no license shall be issued if an applicant's license is currently suspended,  
25 cancelled, revoked, disqualified, or deposited in lieu of bail. Such license shall expire on the  
26 applicant's birthday in the sixth year of issuance, unless the license must be issued for a  
27 shorter period due to other requirements of law or for transition or staggering of work as  
28 determined by the director. The license must be renewed on or before the date of expiration,  
29 which date shall be shown on the license.

30 4. To all other applicants for a license or renewal of a license who are less than  
31 twenty-one years of age or greater than sixty-nine years of age, and who submit a satisfactory  
32 application and meet the requirements of sections 302.010 to 302.605, the director shall issue  
33 or renew such license; except that no license shall be issued if an applicant's license is

34 currently suspended, cancelled, revoked, disqualified, or deposited in lieu of bail. Such  
35 license shall expire on the applicant's birthday in the third year of issuance, unless the license  
36 must be issued for a shorter period due to other requirements of law or for transition or  
37 staggering of work as determined by the director. The license must be renewed on or before  
38 the date of expiration, which date shall be shown on the license.

39 5. The fee for a license issued for a period which exceeds three years under  
40 subsection 1 of this section shall be thirty dollars.

41 6. The fee for a license issued for a period of three years or less under subsection 2 of  
42 this section shall be fifteen dollars, except that the fee for a license issued for one year or less  
43 which contains a school bus endorsement shall be five dollars, except renewal fees shall be  
44 waived for applicants seventy-five years of age or older seeking school bus endorsements.

45 7. The fee for a license issued for a period which exceeds three years under  
46 subsection 3 of this section shall be fifteen dollars.

47 8. The fee for a license issued for a period of three years or less under subsection 4 of  
48 this section shall be seven dollars and fifty cents.

49 9. Beginning July 1, 2005, the director shall not issue a driver's license for a period  
50 that exceeds an applicant's lawful presence in the United States. The director may establish  
51 procedures to verify the lawful presence of the applicant and establish the duration of any  
52 driver's license issued under this section.

53 10. **Notwithstanding any provision of law to the contrary, all online license**  
54 **renewal submissions shall be electronically forwarded to the local department of**  
55 **revenue fee office of the applicant's preference and shall be processed only by the local**  
56 **fee office so designated. For purposes of this section, "local department of revenue fee**  
57 **office" means an entity awarded a fee office contract by the department of revenue**  
58 **under section 136.055.**

59 11. The director of revenue may adopt any rules and regulations necessary to carry  
60 out the provisions of this section. No rule or portion of a rule promulgated pursuant to the  
61 authority of this section shall become effective unless it has been promulgated pursuant to the  
62 provisions of chapter 536.

306.015. 1. The owner of a vessel kept within this state shall cause it to be registered  
2 in the office of the director of revenue who shall issue a certificate of title for the same.

3 2. The owner of any vessel acquired or brought into the state shall file his application  
4 for title within sixty days after it is acquired or brought into this state. The director of revenue  
5 may grant extensions of time for titling to any person in deserving cases.

6 3. The fee for the certificate of title shall be seven dollars fifty cents and shall be paid  
7 to the director of revenue at the time of making application. If application for certificate of  
8 title is not made within sixty days after the vessel is acquired or brought into the state, a

9 delinquency penalty fee of ten dollars for each thirty days of delinquency, not to exceed a  
10 total of thirty dollars, shall be imposed. If the director of revenue learns that any person has  
11 failed to make application for certificate of title within sixty days after acquiring or bringing  
12 into the state a vessel or has sold a vessel without obtaining a certificate of title, he shall  
13 cancel the registration of all motorboats, vessels, and watercraft registered in the name of the  
14 person, either as sole owner or as co-owner, and shall notify the person that the cancellation  
15 will remain in force until the person pays the delinquency penalty fee provided in this section  
16 together with all fees, charges, and payments which he should have paid in connection with  
17 the certificate of title of the vessel.

18 4. In the event of a sale or transfer of ownership of a vessel or outboard motor for  
19 which a certificate of ownership or manufacturer's statement of origin has been issued, the  
20 holder of such certificate shall endorse on the same an assignment thereof, with warranty of  
21 title in form printed thereon, and prescribed by the director of revenue, with a statement of all  
22 liens or encumbrances on such vessel or outboard motor, and deliver the same to the buyer at  
23 the time of delivery to the buyer of such vessel or outboard motor; provided that, when the  
24 transfer of a vessel or outboard motor occurs within a corporation which holds a license to  
25 operate as a motor vehicle or boat dealer under sections 301.550 to 301.573 and this section,  
26 the provisions of subdivision (3) of subsection 7 of section 144.070 shall not apply.

27 **5. Notwithstanding any provision of law to the contrary, all online registration**  
28 **renewal submissions shall be electronically forwarded to the local department of**  
29 **revenue fee office of the applicant's preference and shall be processed only by the local**  
30 **fee office so designated. For purposes of this section, "local department of revenue fee**  
31 **office" means an entity awarded a fee office contract by the department of revenue**  
32 **under section 136.055.**

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