

HCS HB 3316 -- MOTOR VEHICLES

SPONSOR: Knight

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Commerce by a vote of 8 to 0.

The following is a summary of the House Committee Substitute for HB 3316.

DEALER COLLECTION OF SALES TAX (Section 144.070)

Currently, upon the development of the integrated motor vehicle registration system, motor vehicle dealers must collect and remit sales taxes for all motor vehicles sold by the dealer. This bill also requires the dealer to collect and remit sales tax on any boat or outboard motor sold by the dealer. The bill requires a motor vehicle dealer to collect and remit sales tax for any motor vehicle, trailer, boat, or other titled property sold by the dealer to a purchaser who is not a resident of this State at the rate applicable at the dealer's place of business.

WATER-DAMAGED VEHICLES (Section 301.010)

This bill adds a definition of "water-damaged vehicle" for the purposes of the regulation of motor vehicles in Chapter 301, RSMo.

MOTOR VEHICLE REGISTRATION (Sections 301.020, 301.030, 301.050, 301.055, 301.070, 301.110, 301.140, 301.147, and 301.190)

Currently, applications for registration of motor vehicles and trailers must include the applicant's name. This bill requires the inclusion of the applicant's full legal name as it appears on the applicant's driver's license, nondriver's license, or permit. Currently, there are 12 motor vehicle registration periods, each starting on the first day of each calendar month. This bill repeals such language.

Currently, motor vehicle registration fees are based on the horsepower of the vehicle, and there is a penalty fee of \$5 for delinquent registrations. This bill provides for a flat registration fee of \$25 for passenger motor vehicles and \$10 for motorcycles, motortricycles, and autocycles. The bill increases the delinquency fee to \$25 for the first month of delinquency and

an additional \$25 for each additional consecutive month of delinquency, not to exceed \$200.

This bill authorizes the Director of Revenue (DOR) to stagger the collection of alternative fuel decal fees and the issuance of alternative fuel decals so that the issuance of the decal occurs at the time of vehicle registration and the decal is valid for the duration of the registration period.

Currently, transferred plates and temporary permits can be used for a period longer than 30 days under certain conditions, and transferred plates may be used for a fee of \$2 plus a pro rata portion of any increased fee based on a difference in registration type. This bill increases such transfer fees to \$10, as described in the bill. The bill requires DOR to issue a nontransferable in-transit plate for motor vehicles, trailers, and boats purchased by nonresidents, as specified in the bill. In-transit plates will last 15 days. The term "temporary permit" is replaced with "interim plate" throughout the bill. After development of DOR's upcoming computer system, temporary permits will no longer be issued by dealers. If a transfer of plates occurs at the time a purchase occurs at a dealer location, the current plate may be transferred and tracked in DOR's upcoming computer system.

Currently, any vehicle with biennial registration that is manufactured as an even-numbered model year vehicle must be renewed each even-numbered calendar year, and each vehicle manufactured as an odd-numbered model year vehicle must be renewed each odd-numbered calendar year. This bill repeals such requirement. The bill allows a third plate to be purchased for a motor vehicle for the same price as a replacement plate.

Current law requires an application for a certificate of ownership to include the applicant's identification number. This bill instead requires the applicant's full legal name as it appears on the applicant's driver's license, nondriver's license, or permit. If an owner desires to add or delete a name or names on an application for certificate of ownership, this bill requires the name or names to be consistent with the names noted on the notice of lien.

Currently, the owner of a salvage vehicle which requires an inspection can get a temporary permit to drive their vehicle directly to and from an inspection. The bill requires the inspection to occur within 15 days of the sale of such vehicle,

and the owner must carry a notice of sale while operating the vehicle.

DISABILITY PLACARD RENEWALS (Section 301.142)

Currently, removable windshield placards for physically disabled persons must be renewed every four years. This bill changes the renewal period to every eight years, and allows DOR to automatically renew current valid disabled placards until all Permanent disabled placards are on an eight year renewal cycle.

MOTOR VEHICLE DEALER LICENSING (Section 301.550, 301.560, and 301.570)

Currently, a person or entity must sell eight or more vehicles in a calendar year in order to meet the definition of "motor vehicle dealer" and obtain a license to sell motor vehicles. This bill increases the threshold number of vehicles to 12.

Currently, DOR issues a distinctive dealer license number or certificate number upon the renewal of a dealer license plate. This bill instead requires the issuance of a renewal tab to be placed on the lower right corner of the plate or certificate, with the cost of the renewal tab equal to the costs for dealer license plates. Additionally, the bill changes the dealer license plate fee for additional plates.

LIENS AND ENCUMBRANCES (301.600)

Currently, a notice of lien on a motor vehicle or trailer does not specify that the name of the owner of the motor vehicle or trailer and the secured party must be the individuals legal name. This bill changes this to require the full legal name on a lien on a motor vehicle or trailer.

REAL ID (Section 302.170)

Currently, DOR is required to inform applicants for a REAL ID compliant driver's license or identification card that electronic copies of source documents will be destroyed after the minimum time required by Federal law. This bill repeals such provision and provides that DOR will retain such documents.

Additionally, a provision requiring DOR to inform applicants for a non-REAL ID compliance driver's license that copies of source documents will not be retained by DOR unless permitted by law is repealed.

MOTOR VEHICLE INSPECTIONS (Sections 307.350 and 643.315)

Currently, the safety and emissions inspections for an even-numbered model year vehicle must be conducted in each even-numbered calendar year and for odd-numbered model year vehicles, the inspection must happen in odd-numbered calendar years. This bill repeals such requirements.

EFFECTIVE DATE (Section B)

Certain Sections of the bill will be effective as soon as technologically possible following development and maintenance of DOR's electronic titling and registration system.

This bill is similar to SB 1632 (2026).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that this bill will update the current system to match the needs of the of the state. Some say this bill cleans up the language currently in statute to provide clarity and more guidance.

Testifying in person for the bill were Representative Knight; Trish Vincent, Department of Revenue; and Zachary Wyatt, Department of Revenue.

OPPOSERS: There was no opposition voiced in-person to the committee.

OTHERS: Others testifying on the bill say they are only concerned over the language regarding the retail sales and wholesalers.

Testifying in person on the bill was Doug Nelson, Copart, Inc.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.