

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1707

Bill Subtitle: TO AMEND ARKANSAS LAW CONCERNING TEMPORARY PREPRINTED PAPER BUYER'S TAGS FOR MOTOR VEHICLES; AND TO DECLARE AN EMERGENCY.

Basic Change :

Representative Overbey

Under current law, the fee for a motor vehicle temporary tag for a vehicle sold by a licensed dealer cannot exceed \$2.50. The bill raises that limit to a fee not to exceed \$4.00. The Director of DFA is responsible for setting the fee. The fees are collected by DFA when the vehicle is registered. The bill also adds vehicle color to the required information necessary to issue the temporary tag.

Revenue Impact :

This bill will not result in any immediate revenue impact.

Taxpayer Impact :

No immediate taxpayer impact. If a temporary tag increase is approved, vehicle owners, who purchase motor vehicles from dealers, would pay the additional amount of the increase.

Resources Required :

If an increase in fees is approved, temporary tags issued by dealers, for the purposes which Department is not reimbursed, would cause an increase in the amount the paid to the vendor.

Time Required :

Adequate time is provided.

Procedural Changes :

Program the motor vehicle computer system to calculate the new fee.

Other Comments :

None

Legal Analysis :

Currently, temporary preprinted buyer's tags are issued for thirty calendar days and contain a single holographic sticker. The Department's fee for this plate is \$2.50. This bill alters the law regarding the issuance of temporary preprinted buyer's tags. This bill alters that law in the following ways:

- Clarifies that 30 days means 30 calendar days
- Clarifies that only one sticker is to be placed on the preprinted buyer's tags
- Requires buyers to provide the vehicle color on an application for a preprinted buyer's tag
- Requires motor vehicle dealers that issue buyer's tags to affix the tag to a vehicle in a way "to keep the tag in place and readable when vehicle is in use."
- Increases the fee for issuance of a temporary preprinted buyer's tag to \$4.00

If the drafter intends to replace every reference to "stickers" with "sticker", additional unamended references are found on Page 1 (Lines 26 and 33) and Page 4 (Line 1). Potentially, the drafter intended to amend Page 4 Line 22 to include color as well so that both buyers and dealers are providing the same amount of detail to the Department for issuance of temporary buyer's tags.