

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: SB494**

**Bill Subtitle: TO ESTABLISH AN EXPEDITED MOTOR VEHICLE TITLE PROCESSING SERVICE; TO CREATE AN EXPEDITED TITLE PROCESSING SERVICE FOR MOTOR VEHICLES AND IMPOSE AN ADDITIONAL FEE FOR THE SERVICE; AND TO AMEND THE LAW CONCERNING CERTAIN TITLE FEES.**

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### **Basic Change :**

**Sponsor: Sen. Sample**

SB494 creates a mechanism whereby an application for motor vehicle title service can be processed on an expedited basis and establishes a fee for such service. The bill establishes a fee of \$10 for providing this expedited service that is in addition to the current \$10 title fee charged by state law for all title applications. The proceeds from this \$10 fee are to be deposited to the Commercial Driver's License Fund for use by the Revenue Division to provide system enhancements. The bill also eliminates an unnecessary reference to a specific title fee in the Arkansas Code to prevent confusion if that title fee is ever changed.

### **Revenue Impact :**

Unknown increase of service fees for the Commercial Driver's License Fund.

### **Taxpayer Impact :**

Title applicants may choose to pay the ten-dollar (\$10.00) expedited service fee to have their title application reviewed within three (3) business days.

### **Resources Required :**

Computer programming will be necessary to code the new fee, which is estimated to cost \$4,500.00.

### **Time Required :**

Adequate time is provided for implementation.

### **Procedural Changes :**

Revise the Motor Vehicle Procedures Manual and distribute to Revenue Offices.

### **Other Comments :**

None.

### **Legal Analysis :**

SB494 amends § 27-14-705 to add a new subsection (e) that allows for expedited title processing service. At the request of an applicant and payment of \$10.00 at the Charles D. Ragland Taxpayer Services Center, the Office of Motor Vehicle may provide an expedited title to the applicant. Funds collected through the expedited title processing service shall be deposited to the DFA Commercial Driver License Fund to be used for system enhancements.