

Department of Finance and Administration

Legislative Impact Statement

Bill: SB501

Bill Subtitle: TO AMEND THE REQUIREMENTS FOR MULTIYEAR VEHICLE REGISTRATION.

Basic Change :

Senator Bledsoe

Representative Baird

Under current law, an owner of a personal use motor vehicle (passenger car or pickup), may request a registration for a period of one (1) year or a multi-year registration of two (2) or three (3) years. The owner can request a two (2) or three (3) year registration period only if such motor vehicle has been registered to the owner for at least the same length of time as the multi-year period requested, if personal property taxes have been timely assessed and paid for the previous the previous multi-year period requested, and the vehicle had been insured for the previous multi-year period requested. Under this bill, the two (2) or three (3) year period may be requested if the owner has owned the vehicle for a full twelve (12) month period after initial registration and the vehicle is currently assessed, no taxes are delinquent, and the vehicle is currently insured.

Revenue Impact :

This may potentially create a one-time spike in registration fees deposited for use by the Highway and Transportation Department but would become level eventually.

Taxpayer Impact :

The provisions of this bill would expand eligibility for multi-year registration to approximately one million (1,000,000) vehicles.

Resources Required :

No additional resources required.

Time Required :

Adequate time is provided.

Procedural Changes :

Program the motor vehicle system for changes in the multi-year renewal requirements. Revise the Motor Vehicle Procedures Manual and distribute revisions to Revenue Offices.

Other Comments :

None

Legal Analysis :

This bill repeals the requirement for multi year registration (2 or 3 year term) of a motor vehicle that the vehicle owner prove payment of property taxes, insurance and registration fees for a period of time equal to the length of the registration requested. The bill substitutes the requirement that the owner prove ownership of the vehicle for 12 months following the initial registration, and proof of current insurance, payment of personal property taxes and assessment of the vehicle. This requirement applies for either a 2 or 3 year registration period. The bill's provisions will apply on and after January 1, 2014.

The bill has no Emergency Clause and would therefore become effective 90 days after adjournment.