

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1849

Bill Subtitle: TO AMEND THE PERMANENT AUTOMOBILE LICENSING ACT OF 1967; AND TO SUSPEND THE ANNUAL MOTOR VEHICLE REGISTRATION REQUIREMENT IN CERTAIN SITUATIONS.

Basic Change :

Sponsor: Rep. Della Rosa

Under current law, the penalty for late vehicle registration is three dollars (\$3.00) for each ten (10) days until the penalties reach the same amount of the annual license fee. No penalty is assessed if the owner makes affidavit that the vehicle has not been operated on any street or highway.

HB1849 amends § 27-14-1004 (b) to provide that the annual registration fee shall not be assessed if the owner makes affidavit that the vehicle has not been operated on any street, road, or highway.

Revenue Impact :

Possible unknown decrease in registration fees collected.

Taxpayer Impact :

A person that makes an affidavit provided in § 27-14-1004 will not be assessed vehicle registration fees if the person affirms that the vehicle was not operated on streets, roads or highways.

Resources Required :

No additional resources required.

Time Required :

Adequate time has been provided.

Procedural Changes :

Update Motor Vehicle Manual and distribute to State Revenue Offices.

Other Comments :

None.

Legal Analysis :

Current law generally prohibits a motor vehicle for which a registration and certificate of title has not been issued from being moved upon a highway. Any person who operates a passenger motor vehicle or Class One truck without having first registered the motor vehicle with the Office of Motor Vehicle shall be required to pay a penalty of \$3.00 for each 10 days, or fraction thereof, for which he or she failed to register the vehicle until the penalty reaches the same amount as the annual license fee of the vehicle to be registered. However, the Office of Motor Vehicle may not assess a penalty if the owner or

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operator of a vehicle makes an affidavit to the effect that the vehicle has not been operated on any street, road, or highway in the State of Arkansas after the time set for registering the motor vehicle with the office.

HB1849 would also prevent the Office of Motor Vehicle from assessing an annual registration fee if the owner or operator of such a vehicle makes an affidavit to the effect that the vehicle has not been operated on any street, road, or highway in the State of Arkansas after the time set for registering the motor vehicle with the office.