

Department of Finance and Administration

Legislative Impact Statement

Bill: SB635

Bill Subtitle: CONCERNING AUTHORIZATION FOR THE RELEASE OF MOTOR VEHICLE RECORD INFORMATION BY THE OFFICE OF MOTOR VEHICLE; AND TO DECLARE AN EMERGENCY.

Basic Change : Sponsors: Senator Files and Representative Hickerson

Currently the Revenue Division releases motor vehicle records electronically in bulk to companies, under written agreement that records will be used in accordance with the Federal Driver Privacy Protection Act. Under current agreements, a fee of \$20.50 per thousand records is collected. The bill adds a new section to the Arkansas code to specify fees and the manner under which the records will be used, and provides statutory guidance as to the terms that should be included in agreements. The bill provides that the party requesting records electronically must execute a written agreement with the Department of Finance and Administration (DFA) that includes the following provisions:

- An acknowledgment that the party will comply with all state and federal limits on the use of the records;
- That the party will hold harmless and indemnify DFA for any money damages, punitive damages, criminal fines, civil penalties, court costs, and attorney's fees awarded to any person or entity by any state or federal court or the Arkansas Claims Commission, due to improper disclosure.

The bill authorizes collection a fee of not less \$20.50 nor more than \$30.00 per thousand records that are provided. Fees are to be deposited to the State Central Services Fund for the benefit of the Revenue Division.

Revenue Impact :

There would be no revenue impact unless a decision is made to increase fees. If fees were increased to the maximum amount of \$30.00 per thousand records, collections for the State Central Services Fund for the benefit of the Revenue Division would increase by approximately \$75,000 annually.

Taxpayer Impact :

None.

Resources Required :

No additional resources required.

Time Required :

Adequate time is provided.

Procedural Changes :

Prepare new agreements to include the provisions of the new law to be signed by existing companies and companies that might request electronic records in the future.

Legal Analysis :

SB635 clarifies the procedures for the release of motor vehicle records, to indemnify the DFA for civil action resulting from misuse of released motor vehicle records, and allows for the release of noncertified electronic copies of records kept by DFA's Office of Motor Vehicle (OMV).

The Driver Privacy Protection Act regulates the release of motor vehicle information by a state. The bill provides that all uses of records must be consistent with that federal law. Parties requesting noncertified electronic records must execute a written agreement acknowledging that the party will 1) comply with state and federal regulations regarding information released, 2) indemnify the DFA for any civil actions resulting from the misuse of that information, and 3) pay a fee of \$20.50-\$30.00 per 1,000 records released, the fee to be deposited for the benefit of the Revenue Division of the DFA.