

HCS HB 1640 -- MOTOR VEHICLES

SPONSOR: Denison

COMMITTEE ACTION: Voted "do pass" by the Committee on Transportation by a vote of 11 to 0.

This substitute changes the laws regarding motor vehicles. In its main provisions, the substitute:

- (1) Adds materials, replacement parts, and equipment purchased for use directly upon and for the repair and maintenance and manufacture of motor vehicles used by motor carriers in the transportation of persons or property to the list of items exempt from state and local sales and use taxes. Currently, only motor vehicles that are engaged as common carriers of persons or property are exempt;
- (2) Adds any titled manufacturing or mining equipment used to establish new or to expand existing manufacturing, mining, or fabricating plants in the state to the list of items exempt from state and local sales and use taxes;
- (3) Authorizes an exemption from state and local sales and use taxes for railroad rolling stock for use by a motor vehicle licensed for a gross weight of 24,000 pounds or more or a trailer used by motor carriers in the transportation of persons or property. Currently, it only applies to motor vehicles and trailers used by common carriers with that gross weight;
- (4) Changes the width requirement in the definition of "recreational off-highway vehicle" to a vehicle which is 64 inches or less in width. Currently, it is a vehicle which is 60 inches or less;
- (5) Specifies that a fleet owner of at least 50 fleet vehicles may apply for licenses plates bearing the company name or logo with the size and design subject to the approval of the Director of the Department of Revenue;
- (6) Specifies that driveaway license plates can only be used by owners, corporate officers, or employees of the business to which the plate was issued;
- (7) Requires that an application for a driveaway license plate include specified information;
- (8) Requires the applicant of a driveaway license plate to report any changes of the required information during the registration period to the department within 10 days of the date

of the change;

(9) Requires any misrepresentation contained in an application for a driveaway license plate to result in the revocation of the applicant's driveaway license plate and any subsequent application for a driveaway license plate must be denied for two years from the date of violation. An applicant must include any officer of a business or any employee or agent;

(10) Specifies that any person who knowingly uses a revoked driveaway license plate will be guilty of a class A misdemeanor;

(11) Requires, beginning January 1, 2013, a window sticker to be placed on the inside front windshield of a motor vehicle to show the current registration instead of the current license plate tab. A tab, instead of a window sticker, must be issued for a motorcycle or trailer registration;

(12) Removes the provision requiring a removable disability windshield placard to be renewed every four years and specifies that a person who is permanently disabled, regardless of age, is not required to provide a physician's statement when renewing a disabled license plate or windshield placard;

(13) Deems Department of Revenue investigators as peace officers when enforcing the provisions of Chapter 301, RSMo, and any provisions regarding fees, licenses, or taxes administered by the department director if they have been licensed by the Director of the Department of Public Safety;

(14) Allows any representative of the department to inspect the premises of an auto repair, used parts, salvage, or scrap business to enforce the provisions of Sections 301.217 to 301.229. Currently, only members of the patrol or any police officer can inspect these businesses;

(15) Requires every dealer and every operator of a public garage to keep specified records for five years instead of three;

(16) Specifies that any person who knowingly makes a false statement or omission of a material fact in a monthly sales report to the Department of Revenue will be guilty of a class A misdemeanor;

(17) Specifies that if any peace officer or the Director of the Department of Revenue or his or her designated representative has probable cause to believe that a certificate of ownership, a license plate, a license plate tab, a Missouri driver's license, or a Missouri nondriver identification card was obtained fraudulently, any person in possession of the item must surrender

it to the peace officer or the department director or his or her designated representative upon request. Any person failing to do so will be guilty of a class A misdemeanor;

(18) Authorizes the Director of the Department of Revenue to issue dealer licenses for up to two years and to stagger the license periods for efficiency and workload equalization;

(19) Allows a license plate or certificate of number to be seized and surrendered to the Department of Revenue if any law enforcement officer or agent of the department has probable cause to believe that the dealer license plate or certificate of number is being misused in violation of Section 301.560;

(20) Requires the Director of the Department of Revenue to direct any agent or employee of the department or any law enforcement officer to secure the possession and return of the license plates of any licensee who has been suspended or revoked who neglects or refuses to surrender his or her license or distinctive number license plates issued under Sections 301.550 to 301.580. Failure of the licensee to surrender his or her license or distinctive number license plates upon demand will be a class A misdemeanor;

(21) Specifies the events or acts by a licensee under Sections 301.550 to 301.580 which are deemed to present a clear and present danger to the public welfare and must be considered cause for suspension or revocation of his or her license under the procedures in the substitute at the discretion of the Director of the Department of Revenue;

(22) Establishes the evidentiary hearing procedure for a suspension or revocation;

(23) Specifies that a second or subsequent conviction of selling six or more vehicles in a year without a license with specified exceptions will be a class D felony;

(24) Allows the department to issue a special event motor vehicle auction license for a fee of \$1,000. A "special event motor vehicle auction" is a motor vehicle auction which:

(a) Ninety percent of the vehicles being auctioned are at least 10 years old or older;

(b) The licensee must auction no more than 3% of the total number of vehicles presented for auction which are owned and titled in the name of the licensee or its owners; and

(c) The duration of no more than three consecutive days and is

held no more than two times in a calendar year by a licensee;

(25) Changes from six months to three months the period of time that a temporary motorcycle permit is valid and allows for two additional renewals for a total maximum period of nine months;

(26) Requires only a person receiving a temporary motorcycle permit who is 16 years old or older to not travel from a half-hour after sunset to a half-hour before sunrise and to not carry any passengers; and

(27) Revises the definition of "common carrier" by removing the requirement that it must hold itself out to the general public to engage in the transportation of passengers or property for hire or compensation.

The provisions of the substitute regarding window stickers become effective January 1, 2013.

FISCAL NOTE: Estimated Net Cost on General Revenue Fund of \$505,009 to Unknown in FY 2013, FY 2014, and FY 2015. Estimated Net Cost on Other State Funds of Unknown in FY 2013, FY 2014, and FY 2015.

PROPONENTS: Supporters say that the bill enhances the enforcement of the laws when dealers misuse driveaway plates and allows for special auctions.

Testifying for the bill were Representative Denison; Department of Revenue; and Joseph Cox.

OPPONENTS: There was no opposition voiced to the committee.