



# House of Representatives

General Assembly

**File No. 406**

January Session, 2015

Substitute House Bill No. 6500

*House of Representatives, April 2, 2015*

The Committee on Transportation reported through REP. GUERRERA of the 29th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING A TWO-PART MOTOR VEHICLE REGISTRATION SYSTEM.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 14-22 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2015*):

3 (a) (1) A motor vehicle registration issued pursuant to this chapter  
4 shall expire in accordance with schedules established by the  
5 commissioner. If the expiration date of the registration of the motor  
6 vehicle, except the registration of a motor vehicle used to transport  
7 passengers for hire, falls on any day when offices of the commissioner  
8 are closed for business, the registration shall be deemed valid for the  
9 operation of the motor vehicle until midnight of the next day on which  
10 offices of the commissioner are open for business.

11 (2) The commissioner shall prescribe the date and manner of  
12 renewing registrations. Not less than forty-five days prior to the  
13 expiration of any valid registration, the department shall send or

14 transmit, in such manner as the commissioner determines, an  
15 application for renewal to the registrant. In the case of a motor vehicle  
16 registered to a leasing company licensed pursuant to section 14-15, the  
17 department may send or transmit, in such manner as the commissioner  
18 determines, an application for renewal of a leased vehicle to the lessee  
19 of such vehicle.

20 (3) For new or renewal registrations issued on and after January 1,  
21 2017, no certificate of registration shall be sent to a registrant or lessee  
22 until the commissioner receives adequate proof that such registrant or  
23 lessee is in compliance with the requirements of sections 14-12, 14-12b,  
24 14-33 and 14-164c.

25 (4) The commissioner shall not be required to send or transmit a  
26 registrant's or lessee's application by mail if the United States Postal  
27 Service has determined that mail is undeliverable to such person at the  
28 address for such person that is in the records of the department.

29 (5) Except for the processing of such application at an official  
30 emissions inspection station as provided in subsection (b) of this  
31 section or by telephone as provided in subsection (c) of this section, the  
32 commissioner may require that the application be returned  
33 electronically or by mail in order to be processed and approved, with  
34 only such exceptions, on a hardship basis, as shall be established by  
35 the commissioner in regulations adopted pursuant to chapter 54.

36 (b) The commissioner may provide for the renewal of passenger  
37 registrations at official emissions inspection stations established  
38 pursuant to chapter 246a in accordance with schedules established by  
39 [him which] the commissioner that shall provide that expirations of  
40 registrations and emissions stickers occur on the same date. The  
41 commissioner may employ the services of the independent contractor  
42 [which] that operates the system of official emissions inspection  
43 stations to process such applications for renewal in accordance with  
44 standards and procedures established by the commissioner.

45 (c) The commissioner may provide for the renewal of the

46 registration of any motor vehicle by means of a telephone request and  
47 order by the registrant. The commissioner may charge a service fee of  
48 five dollars, in addition to the fee prescribed for the renewal of the  
49 registration, for each application for renewal processed by telephone.  
50 Such service fee shall be used to cover the costs incurred in processing  
51 such applications. Any funds in excess of those necessary for the  
52 processing of such applications shall be deposited in the General Fund.  
53 Each registrant who elects to renew by telephone shall sign the  
54 certificate of registration, attesting to the information contained therein  
55 under penalty of false statement, as provided in section 53a-157b,  
56 when the certificate is issued by the commissioner. Any such certificate  
57 [which] that is not signed shall be void. The commissioner may  
58 employ the services of an independent contractor or contractors to  
59 process such applications for renewal and provide any equipment or  
60 system necessary for such purpose.

61 (d) If the adoption of a staggered system results in the expiration of  
62 any registration more than two years from its issuance, a prorated  
63 amount of the registration fee paid shall be charged in addition to the  
64 biennial fee.

65 Sec. 2. (NEW) (*Effective July 1, 2015*) (a) There is established an  
66 account to be known as the "registration system account" which shall  
67 be a separate, nonlapsing account within the Special Transportation  
68 Fund. The account shall contain any moneys required by law to be  
69 deposited in the account, and all moneys as provided in subsection (b)  
70 of this section. Moneys in the account shall be expended by the  
71 Commissioner of Motor Vehicles for the purposes described in  
72 subsection (b) of this section.

73 (b) On and after July 1, 2015, in addition to the fees charged  
74 pursuant to subsections (a), (e), (f), (s) and (x) of section 14-49 of the  
75 general statutes, the Commissioner of Motor Vehicles shall charge a fee  
76 of one dollar and fifty cents for each such motor vehicle registration.  
77 The commissioner shall deposit such fee in the registration system  
78 account established pursuant to subsection (a) of this section and shall

79 use the moneys in such account in connection with establishing the  
80 system of registration described in subdivision (3) of subsection (a) of  
81 section 14-22 of the general statutes, as amended by this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2015	14-22
Sec. 2	July 1, 2015	New section

**Statement of Legislative Commissioners:**

In Section 1(a)(3), the phrase "no registration shall be issued" was changed to "no certificate of registration shall be sent to a registrant or lessee", for clarity and accuracy.

**TRA**      *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

## **OFA Fiscal Note**

### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 16 \$</b>	<b>FY 17 \$</b>
Department of Motor Vehicles	TF - Registration system account - Revenue Gain	1,200,000	1,200,000
Department of Motor Vehicles	TF - Registration system account - Cost	50,000	550,000

Note: TF=Transportation Fund

**Municipal Impact:** None

### **Explanation**

The bill: (1) prohibits the Department of Motor Vehicles (DMV) from issuing or renewing a motor vehicle registration until an individual has complied with all DMV registration laws, (2) creates a non-lapsing account within the Special Transportation Fund called the registration system account and (3) increases a motor vehicle registration by \$1.50 to be deposited into the registration system account to be used for all administrative costs for the provisions of the bill.

Section 1 of the bill would result in a cost to DMV of up to \$50,000 in FY 16 for reprogramming costs and approximately \$550,000 in FY 17 for postage to mail out registrations. It is anticipated that DMV will mail out approximately 1 million renewal registrations each year and these costs will be paid from the registration system account.

Section 2 of the bill would result in a revenue gain to the registration system account of approximately \$1.2 million each year due to the

increased fee of \$1.50 on each motor vehicle registration.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future dependent on the number of motor vehicle registrations.

**OLR Bill Analysis**

**sHB 6500**

**AN ACT CONCERNING A TWO-PART MOTOR VEHICLE REGISTRATION SYSTEM.**

**SUMMARY:**

Starting January 1, 2017, this bill prohibits the Department of Motor Vehicles (DMV) from issuing or renewing a motor vehicle registration for anyone registering or leasing a vehicle unless it receives proof that the applicant has paid his or her motor vehicle property taxes and complied with certain other laws. By law, DMV must send registration renewal applications at least 45 days before the registrations expire.

It requires, starting July 1, 2015, that (1) individuals registering certain motor vehicles pay an additional \$1.50 to cover the cost of establishing this registration system and (2) the DMV commissioner to deposit this money in a separate account the bill creates in the Special Transportation Fund (STF).

EFFECTIVE DATE: July 1, 2015

**PROOF OF COMPLIANCE**

Starting January 1, 2017, before issuing a new or renewed registration, DMV must receive adequate proof that a motor vehicle owner or lessee has:

1. complied with the motor vehicle registration law;
2. current insurance or a current insurance identification card;
3. paid (a) his or her motor vehicle property taxes and (b) fines owed for at least six unpaid parking tickets (see BACKGROUND); and

4. complied with the motor vehicle emissions testing law.

### **REGISTRATION SYSTEM ACCOUNT**

The bill creates, starting July 1, 2015, a \$1.50 fee for registration of:

1. passenger vehicles;
2. school buses;
3. vehicles seating more than 10 passengers, and not used for hire;
4. passenger vehicles with combination plates (used for both private and commercial purposes);
5. pick-up trucks weighing less than 12,500 pounds not used in part for commercial purposes;
6. electric motor vehicles;
7. vehicles bearing vanity license plates; and
8. high mileage vehicles.

The commissioner must deposit the money in a “registration system account,” a separate, nonlapsing account the bill creates in the STF. The commissioner must spend the money in the account to establish the bill’s registration system.

### **BACKGROUND**

#### ***Unpaid Property Taxes and Parking Fines***

By law, if a town reports to DMV that someone is delinquent in paying his or her property tax on a motor vehicle or snowmobile, DMV cannot register or renew the registration of any vehicle, snowmobile, all-terrain vehicle, or vessel the individual owns until the delinquent taxpayer has discharged his or her obligation (CGS § 14-33 (a)).

Municipalities may also take part in a program in which they notify DMV when a motor vehicle owner has more than five unpaid parking

tickets in the municipality. DMV cannot issue or renew the individual's registration until the fines have been paid (CGS § 14-33 (c)).

**COMMITTEE ACTION**

Transportation Committee

Joint Favorable

Yea 31    Nay 0    (03/18/2015)