



# HOUSE BILL 652: Clearing Vehicle Registration Stops.

2019-2020 General Assembly

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<b>Committee:</b>	House Transportation. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	April 30, 2019
<b>Introduced by:</b>	Reps. Torbett, Lewis	<b>Prepared by:</b>	Wendy Ray
<b>Analysis of:</b>	PCS to First Edition H652-CSSU-22		Staff Attorney

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**OVERVIEW:** *The Proposed Committee Substitute for House Bill 652 would amend the law related to the process of clearing registration stops due to nonpayment of money owed to the Division of Motor Vehicles and other entities as follows:*

- *Require records of the Division to include the amount owed to clear the stop (when the obligation is to the Department of Transportation) and allow the vehicle owner to clear it by paying that amount to the Division or a tag agent.*
- *For any new stop enacted in this legislative session or later, before the new stop may be implemented by the Division, the records of the Division must include the amount owed to clear the stop, and the vehicle owner must be allowed to clear the stop by paying the required amount to the Division or a tag agent.*

[As introduced, this bill was identical to S623, as introduced by Sen. Tillman, which is currently in Senate Rules and Operations of the Senate.]

**CURRENT LAW:** There are several provisions in current law that require the Division of Motor Vehicles to refuse registration or issuance of a certificate of title for a motor vehicle when the owner has outstanding obligations, fees, or penalties owed to the Division (or owed to other entities required to notify the Division of the outstanding obligation). The vehicle owner would have to pay the outstanding obligation to have the stop cleared before the Division is able to proceed with registering the vehicle. Registration stops are currently authorized by statute for nonpayment of vehicle property taxes, delinquent child support, nonpayment of civil penalties for failure to comply with inspection requirements, nonpayment of tolls, nonpayment of fines or costs to a court or to a county for failing to stop for a school bus, nonpayment of penalties assessed for a lapse in insurance coverage, and nonpayment of penalties imposed by the State Highway Patrol for violations of size, weight, and construction of vehicle requirements.

Commission contractors, or tag agents, are authorized to issue registrations and certificates of title on behalf of the Division. When a customer has a registration stop for any reason, the tag agent is unable to complete the customer's transaction until the stop is cleared. For some stops, a tag agent may only have information available in the computer system that a stop exists, but they do not have specific information about how much is owed or the ability to take payment to clear the stop. In those cases, it may take several steps for the customer to remove the stop and then return to the tag agent to complete the transaction.

**BILL ANALYSIS:** The PCS for House Bill 652 would amend the process for clearing vehicle title and registration stops as follows:

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- When the stop is due to nonpayment of money owed to the Department of Transportation, Division records would be required to show the amount required to clear the stop, allowing tag agents access to the information. It would also allow the vehicle owner to clear the stop by paying the required amount to the Division or the tag agent. This would eliminate the multi-step process currently required to clear stops in many cases.
- For any new title or registration stop enacted this legislative session or later, the Division would not be able to implement the stop until the Division records, accessible by tag agents, state the amount required to clear the stop and there is a process in place that allows the vehicle owner to clear the stop by paying the required amount to the Division or tag agent.

The PCS would also reorganize existing statutory provisions so that all of the vehicle registration and title stops are located in one section.

**EFFECTIVE DATE:** The act would become effective October 1, 2019.