



SENATE BILL 488: DMV/MV Dealer Changes.

2019-2020 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	June 15, 2020
Introduced by:	Sens. B. Jackson, Wells, Chaudhuri	Prepared by:	Kristen L. Harris
Analysis of:	PCS to Second Edition S488-CSTU-37		Committee Co-Counsel

OVERVIEW: *The PCS for Senate Bill 488 would make temporary and permanent changes to various Division of Motor Vehicle (DMV) processes including: 1) an expanded utilization of commission contractors; 2) modifications to applications for notations of a security interest and for temporary registration plates and markers; 3) clarifications of the use of criminal record checks; and 4) a grace period for expired license renewals.*

BILL ANALYSIS:

Section 1(a) would temporarily authorize DMV to utilize commission contractors to process certificates of title and renewals of vehicle registrations under certain conditions including:

- DMV would compensate the contractor at the rate for issuing a title or registration (\$1.75).
- The commission contractor must use the State courier service.

Section 1(b) This section would be effective when it becomes law and expire on December 31, 2020.

Section 2 would allow DMV to utilize commission contractors to distribute temporary registration plates to dealers under certain conditions including:

- DMV would compensate the contractor at the rate for issuing a registration (\$1.75).
- DMV must provide appropriate guidance and supervision.
- DMV must identify at least six contractors to enter into agreements with to make temporary registration plates more available to dealers across all regions of the State.

Sections 3(a) and (b) would allow 1) a debtor to sign an application for a notation of a security interest in a vehicle title electronically and without notarization and 2) a secured party to sign instead of the debtor without signed documentary evidence of the debtor's interest, as long as the application is submitted by a licensed or regulated lender in the State having a lienholder identification number issued by DMV.

Section 3(c) would exclude applications for a notation of a security interest for a manufactured home from Sections 3(a) and (b).

Section 3(d) would remove DMV from any liability related to the provisions of this section.

Section 3(e) This section would be effective when it becomes law, and would apply to applications for notation of security interests submitted to DMV on or after that date and before December 1, 2020.

Section 4(a) would provide a physical and electronic method for dealers to apply and pay for temporary registration plates and markers.

Karen Cochrane-Brown
Director



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Section 4(b) This section would become effective October 1, 2020, and apply to dealer applications for temporary registration plates or markers submitted on or after that date.

Section 5(a) would clarify that an applicant's fingerprints would not be used as part of a criminal record check of an applicant for a license (new motor vehicle dealer, motor vehicle sales representative, manufacturer, factory branch, distributor, wholesaler, etc.)

Section 5(b) would clarify that an occupational licensing board or a State agency licensing board cannot require an applicant to consent to a criminal record check or use of his or her fingerprints or other identifying information as a condition of granting a license.

Section 5(c) This section would become effective July 1, 2020, and applies to applications for licensure or renewal received on or after that date.

Section 6(a) would require DMV to grant or deny a license renewal within 30 days after receiving it and create a grace period of 30 days after a license has expired for it to remain valid in DMV's database if the application for renewal was submitted prior to its expiration.

Section 6(b) This section would become effective October 1, 2020, and apply to licenses that expire on or after that date.

EFFECTIVE DATE: Except as otherwise provided, this act is effective when it becomes law.