

Senator Stuart C. Reid proposes the following substitute bill:

REVOCATION OF MOTOR VEHICLE REGISTRATION

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stuart C. Reid

House Sponsor: Val L. Peterson

LONG TITLE

General Description:

This bill modifies the Motor Vehicle Act by amending provisions relating to the authority of the Motor Vehicle Division to revoke the registration of a vehicle.

Highlighted Provisions:

This bill:

- ▶ provides that the Division of Motor Vehicles shall revoke the registration of a vehicle if:
 - the division receives notification by a court or municipality that the vehicle is the offending vehicle for four or more outstanding civil parking citations;
 - at least 120 days have elapsed since the fourth outstanding civil parking citation was issued to the registered owner of the vehicle; ~~§→ §→ [f] and [f] ←§ ←§~~
 - the civil parking citations are not currently being contested or appealed; ~~§→ §→ [; and~~
~~19a ~~the vehicle is not owned by a rental company;]~~ ←§ ←§~~
- ▶ provides that a municipality shall send written notification to the last known address informing the registered owner of the offending vehicle that:
 - the vehicle is the offending vehicle for four or more outstanding civil parking citations; and
 - if the owner of the vehicle does not comply with the terms stated on the outstanding civil parking citations, the registration of the vehicle will be



26 revoked;

27 ▶ provides that a court or municipality shall allow 30 days or more to elapse from the
28 time the written notification is sent to the registered owner of the offending vehicle
29 before sending notification to the division;

30 ▶ provides that before the division reinstates the registration of a vehicle:

31 • the court or municipality shall notify the division that the owner of the vehicle
32 has complied with the terms stated on the outstanding civil parking citations;

33 and

34 • the division shall charge a registration reinstatement fee;

35 ▶ provides that the division shall not revoke the registration of a vehicle unless the
36 division receives a donation sufficient to pay for certain implementation costs;

37 ▶ provides that the division shall begin revoking registrations within a specified time;

38 **§→ [and]**

38a ▶ **provides that the registration of a vehicle owned by a rental company may not be**
38b **revoked under certain circumstances; and ←§**

39 ▶ makes technical changes.

40 **Money Appropriated in this Bill:**

41 None

42 **Other Special Clauses:**

43 This bill takes effect on October 1, 2011.

44 **Utah Code Sections Affected:**

45 AMENDS:

46 **41-1a-110**, as last amended by Laws of Utah 2008, Chapter 322

47 **41-1a-1220**, as last amended by Laws of Utah 2008, Chapter 322

48 **41-12a-806**, as last amended by Laws of Utah 2008, Chapter 322

49 **63J-1-602.2**, as enacted by Laws of Utah 2010, Chapter 265 and last amended by
50 Coordination Clause, Laws of Utah 2010, Chapter 265

51

52 *Be it enacted by the Legislature of the state of Utah:*

53 Section 1. Section **41-1a-110** is amended to read:

54 **41-1a-110. Authority of division to suspend or revoke registration, certificate of**
55 **title, license plate, or permit.**

56 (1) Except as provided in Subsections [~~(3)~~] (4) and [~~(4)~~] (5), the division may suspend

57 or revoke a registration, certificate of title, license plate, or permit if:

58 (a) the division is satisfied that a registration, certificate of title, license plate, or permit
59 was fraudulently procured or erroneously issued;

60 (b) the division determines that a registered vehicle is mechanically unfit or unsafe to
61 be operated or moved upon the highways;

62 (c) a registered vehicle has been dismantled;

63 (d) the division determines that the required fee has not been paid and the fee is not
64 paid upon reasonable notice and demand;

65 (e) a registration decal, license plate, or permit is knowingly displayed upon a vehicle
66 other than the one for which issued;

67 (f) the division determines that the owner has committed any offense under this chapter
68 involving the registration, certificate of title, registration card, license plate, registration decal,
69 or permit; or

70 (g) the division receives notification by the Department of Transportation that the
71 owner has committed any offence under Title 72, Chapter 9, Motor Carrier Safety Act.

72 (2) (a) The division shall revoke the registration of a vehicle if the division receives
73 notification by the:

74 (i) Department of Public Safety that a person:

75 (A) has been convicted of operating a registered motor vehicle in violation of Section
76 41-12a-301 or 41-12a-303.2; or

77 (B) is under an administrative action taken by the Department of Public Safety for
78 operating a registered motor vehicle in violation of Section 41-12a-301; or

79 (ii) designated agent that the owner of a motor vehicle:

80 (A) has failed to provide satisfactory proof of owner's or operator's security to the
81 designated agent after the second notice provided under Section 41-12a-804; or

82 (B) provided a false or fraudulent statement to the designated agent.

83 (b) The division shall notify the Driver License Division if the division revokes the
84 registration of a vehicle under Subsection (2)(a)(ii)(A).

85 (3) (a) Subject to requirements of this Subsection (3), the division shall revoke the
86 registration of a vehicle if:

87 (i) the division receives notification by a court or municipality that the vehicle is the

88 offending vehicle for four or more outstanding civil parking citations;

89 (ii) at least 120 days have elapsed since the fourth outstanding civil parking citation
 90 under Subsection (3)(a)(i) was issued to the registered owner of the vehicle; ~~§~~ ~~→~~ ~~§~~ ~~→~~ [F] and [H] ~~←~~ ~~§~~ ~~←~~ ~~§~~

91 (iii) the civil parking citations under Subsection (3)(a)(i) are not currently being
 92 contested or appealed ~~§~~ ~~→~~ [~~§~~ ~~→~~]; and

92a —— (iv) the vehicle is not owned by a rental company as defined in Section 31A-22-311 ~~←~~ ~~§~~ ~~←~~ ~~§~~ .

93 (b) (i) Before notifying the division under Subsection (3)(a), a municipality shall send
 94 written notification to the last known address on the motor vehicle system informing the
 95 registered owner of the offending vehicle that:

96 (A) the vehicle is the offending vehicle for four or more outstanding civil parking
 97 citations; and

98 (B) if the owner of the vehicle does not comply with the terms stated on the
 99 outstanding civil parking citations, the registration of the vehicle will be revoked.

100 (ii) A court or municipality shall allow 30 days or more to elapse from the time the
 101 written notification under Subsection (3)(b)(i) is sent before sending notification to the division
 102 under Subsection (3)(a)(i).

103 (c) Before the division reinstates the registration of a vehicle revoked under Subsection
 104 (3)(a):

105 (i) the court or municipality shall notify the division that the owner of the vehicle has
 106 complied with the terms stated on the outstanding civil parking citations; and

107 (ii) the division shall charge a registration reinstatement fee under Subsection
 108 41-1a-1220(2).

109 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 110 division shall make rules establishing procedures for a court or municipality to notify the
 111 division under Subsections (3)(a) and (c).

112 (e) (i) The division shall not revoke the registration of a vehicle under this Subsection
 113 (3) unless the division receives a donation sufficient to pay for the initial costs of implementing
 114 this Subsection (3) from a participating municipality.

115 (ii) The division shall begin revoking registrations after receiving notification from a
 116 court or municipality under Subsection (3)(a) the latter of:

117 (A) within six months of receiving a sufficient donation under Subsection (3)(e)(i); or

118 (B) October 1, 2011.

118a **~~§~~ ~~→~~ (f) This Subsection (3) does not apply to a vehicle owned by a rental company as defined in**
 118b **Section 31A-22-311. ~~←~~ ~~§~~**

119 ~~[(3)]~~ (4) The division may not suspend or revoke the registration of a vessel or
120 outboard motor unless authorized under Section 73-18-7.3.

121 ~~[(4)]~~ (5) The division may not suspend or revoke the registration of an off-highway
122 vehicle unless authorized under Section 41-22-17.

123 ~~[(5)]~~ (6) The division shall charge a registration reinstatement fee under ~~[Section-]~~
124 Subsection 41-1a-1220(1), if the registration is revoked under Subsection (1)(f).

125 Section 2. Section **41-1a-1220** is amended to read:

126 **41-1a-1220. Registration reinstatement fee.**

127 (1) (a) At the time application is made for reinstatement or renewal of registration of a
128 motor vehicle after a revocation of the registration under Subsection 41-1a-110(2), the
129 applicant shall pay a registration reinstatement fee of \$100.

130 ~~[(2)]~~ (b) The fee imposed under Subsection (1)(a):

131 ~~[(a)]~~ (i) is in addition to any other fee imposed under this chapter; and

132 ~~[(b)]~~ (ii) shall be deposited in the Uninsured Motorist Identification Restricted Account
133 created in Section 41-12a-806.

134 ~~[(3)]~~ (c) The division shall waive the registration reinstatement fee imposed under ~~[this~~
135 ~~section]~~ Subsection (1)(a) if:

136 ~~[(a)]~~ (i) the registration was revoked under Subsection 41-1a-110(2)(a)(ii); and

137 ~~[(b)]~~ (ii) a person had owner's or operator's security in effect for the vehicle at the time
138 of the alleged violation or on the day following the time limit provided after the second notice
139 under Subsection 41-12a-804(2).

140 (2) (a) At the time application is made for reinstatement of registration of a motor
141 vehicle after a revocation of the registration under Subsection 41-1a-110(3), the applicant shall
142 pay a registration reinstatement fee of \$100.

143 (b) The fee imposed under Subsection (2)(a) is in addition to any other fee imposed
144 under this chapter.

145 (c) Funds generated by the fee under Subsection (2)(a) may be used by the commission
146 to cover the costs incurred in enforcing and administering Subsection 41-1a-110(3).

147 (d) In accordance with Section 63J-1-602.2, all funds available to the commission
148 under Subsection (2) are nonlapsing.

149 Section 3. Section **41-12a-806** is amended to read:

150 **41-12a-806. Restricted Account -- Creation -- Funding -- Interest -- Purposes.**

151 (1) There is created within the Transportation Fund a restricted account known as the
152 "Uninsured Motorist Identification Restricted Account."

153 (2) The account consists of money generated from the following revenue sources:

154 (a) money received by the state under Section 41-1a-1218, the uninsured motorist
155 identification fee;

156 (b) money received by the state under [~~Section~~] Subsection 41-1a-1220(1); and

157 (c) appropriations made to the account by the Legislature.

158 (3) (a) The account shall earn interest.

159 (b) All interest earned on account money shall be deposited into the account.

160 (4) Money shall be appropriated from the account by the Legislature to:

161 (a) the department to fund the contract with the designated agent;

162 (b) the department to offset the costs to state and local law enforcement agencies of
163 using the information for the purposes authorized under this part; and

164 (c) the Tax Commission to offset the costs to the Motor Vehicle Division for revoking
165 and reinstating vehicle registrations under Subsection 41-1a-110(2)(a)(ii).

166 Section 4. Section **63J-1-602.2** is amended to read:

167 **63J-1-602.2. List of nonlapsing funds and accounts -- Title 31 through Title 45.**

168 (1) Appropriations from the Technology Development Restricted Account created in
169 Section 31A-3-104.

170 (2) Appropriations from the Criminal Background Check Restricted Account created in
171 Section 31A-3-105.

172 (3) Appropriations from the Captive Insurance Restricted Account created in Section
173 31A-3-304, except to the extent that Section 31A-3-304 makes the money received under that
174 section free revenue.

175 (4) Appropriations from the Title Licensee Enforcement Restricted Account created in
176 Section 31A-23a-415.

177 (5) The fund for operating the state's Federal Health Care Tax Credit Program, as
178 provided in Section 31A-38-104.

179 (6) The Special Administrative Expense Account created in Section 35A-4-506.

180 (7) Funding for a new program or agency that is designated as nonlapsing under

181 Section 36-24-101.

182 (8) The Oil and Gas Conservation Account created in Section 40-6-14.5.

183 (9) Funds available to the Tax Commission for enforcing and administering Subsection

184 41-1a-110(3).

185 [~~9~~] (10) The Off-Highway Access and Education Restricted Account created in

186 Section 41-22-19.5.

187 Section 5. **Effective date.**

188 This bill takes effect on October 1, 2011.

FISCAL NOTE

S.B. 139 1st Sub. (Green)

SHORT TITLE: Revocation of Motor Vehicle Registration

SPONSOR: Reid, S.

2011 GENERAL SESSION, STATE OF UTAH

STATE GOVERNMENT (UCA 36-12-13(2)(b))

Individuals with 4 or more parking citations will be required to pay a vehicle reinstatement fee, which increases dedicated credit revenue to the Tax Commission by \$66,000 in FY 2012 and \$20,200 in FY 2013. Certain individuals will not register their vehicles, which decreases revenue to the Transportation Fund by \$7,000 in FY 2012 and \$4,700 in FY 2013, decreases revenue to the Transportation Investment Fund of 2005 by \$12,600 in FY 2012 and \$8,600 in FY 2013, decreases revenue to Tax Commission Dedicated Credits by \$1,600 in FY 2012 and \$1,100 in FY 2013, and decreases revenue to the Centennial Highway Fund by \$6,300 in FY 2012 and \$4,300 in FY 2013.

STATE BUDGET DETAIL TABLE

	FY 2011	FY 2012	FY 2013
Revenue:			
Transportation Fund	\$0	(\$4,700)	(\$4,700)
Transportation Fund, One-time	\$0	(\$2,300)	\$0
Transportation Fund Restricted	\$0	(\$6,300)	(\$4,300)
Transportation Fund Restricted	\$0	(\$12,600)	(\$8,600)
Dedicated Credits	\$0	\$66,000	\$20,200
Dedicated Credits	\$0	(\$1,600)	(\$1,100)
Total Revenue	\$0	\$38,500	\$1,500
Expenditure:			
Dedicated Credits	\$0	\$66,000	\$20,200
Dedicated Credits	\$0	(\$1,600)	(\$1,100)
Total Expenditure	\$0	\$64,400	\$19,100
Net Impact, All Funds (Rev.-Exp.)	\$0	(\$25,900)	(\$17,600)
Net Impact, General/Education Funds	\$0	\$0	\$0

LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill increases revenue from parking fines to local governments by \$610,600 in FY 2012 and \$186,400 in FY 2013.

DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

In addition to paying past fines of, on average, \$925, in FY 2012 about 1,300 individuals with 4 or more parking tickets in certain counties and cities will be required to pay an additional fine of \$100 to register their vehicle. The total fee and fines paid by individuals amounts to \$676,600 in FY 2012, of which \$66,000 goes to the Tax Commission and \$610,600 goes to local governments.