

HB 3120 -1 STAFF MEASURE SUMMARY
House Committee On Transportation Policy

Prepared By: Tim Walker, LPRO Analyst

Meeting Dates: 4/5

WHAT THE MEASURE DOES:

Directs the Department of Transportation to designate vehicle dealer as agent for the purposes of preparing, and/or, submitting documents related vehicle titles, registration, liens, and other services related to complying with federal and state law. Allows the Department of Transportation to penalize vehicle dealers who do not comply with applicable regulations.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Makes changes to clarify responsibilities.

BACKGROUND:

Current law requires dealers to deposit state held funds within 24 hours of receipt into a segregated bank account. Dealer collect title and registration funds at the time of delivery, but have 30 days to finalize a deal and submit the required paperwork. Typically, the dealer will hold all funds until purchase is completely finalized. This measure would recognize the dealer as an agent of the Division of Motor Vehicles for the purposes holding title and registration fees until the purchase of the vehicle is finalized and then depositing the funds in a segregated bank account.