

Transportation Committee

JOINT FAVORABLE REPORT

Bill No.: HB-5312

AN ACT CONCERNING RECOMMENDATIONS BY THE DEPARTMENT OF

Title: MOTOR VEHICLES REGARDING THE MOTOR VEHICLE STATUTES.

Vote Date: 3/23/2018

Vote Action: Joint Favorable Substitute

PH Date: 3/5/2018

File No.:

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SPONSORS OF BILL:

Transportation Committee

REASONS FOR BILL:

- Sec 1,3,9,& 11 would increase the time allowance, from 5 to 10 days, the time period the DMV requires certain entities, (including car dealers and car rental companies) must submit documents to the DMV after a transaction, sale or lease.
- Section 3 Eliminates the requirement that registration certificates and license plates be returned to DMV when a vehicle's ownership is transferred; requires DMV to record a registration's expiration when the original holder cancels his or her vehicle registration or the new owner reregisters the same vehicle, whichever occurs first
- Section 4 Requires motor vehicle owners to cancel vehicle registrations in accordance with DMV procedures if they choose not to reregister a vehicle
- Section 5-7 Eliminates the 50% registration fee refund for individuals who cancel their camper or motor vehicle registration with one year or more remaining until the expiration of such registration
- Section 7 Makes technical corrections to the definition of "motor vehicle receipts" for transfers to the Special Transportation Fund.
- Section 8 Replaces "adjacent land" with "abutting land" for the purposes of adding property to a car dealer's license
- Section 10 Makes it an infraction if a licensed motor vehicle dealer or repairer fails to maintain electronic records required by DMV or to produce such records in a written format upon a request by the department.
- Section 12 Gives the DMV Commissioner the discretion to permit licensed repairers who operate a wrecker service to maintain electronic records.
- Section 13 Modifies the prerequisites for reinstatement of a driver's license after a DUI revocation.

- Section 14 Clarifies that certain penalties for specified offenses by persons under 21 are tied to the date of a violation, not of conviction.
- Section 15 Permits a dealer who buys a vehicle to resell such vehicle without sending the vehicle's certificate of title or DMV transfer documents to the DMV commissioner so long as a dealer has either obtained the certificate of title or submitted the DMV transfer documents
- Sections 16 & 20 Modify the schedule, from twice a month to roughly every two weeks, by which school bus carriers must check driver license suspension reports for the names and license numbers of each of their drivers; requires school bus carriers to immediately prohibit bus drivers from operating a vehicle if their license has been suspended, rather than within 48 hours after reviewing a suspended driver report; eliminates the requirement that DMV conduct random compliance audits to verify that school bus carriers are checking suspended driver reports.
- Section 17 Removes police officer discretion to issue a written warning or a summons to the owner of a motor vehicle whose vehicle violates the law regarding stopping and turning near a school bus to require officers to issue a summons.
- Section 18 Authorizes DMV to require insurers to notify the DMV commissioner of any additions to their insurance policies; existing law already allows the commissioner to do so for policy cancellations.
- Section 19 Eliminates a procedure by which local tax assessors may receive certain identifying information about certain motor vehicles registered in other states from DMV in order to add such vehicles to a municipality's grand list; procedure was passed in the FY 18-19 budget act

RESPONSE FROM ADMINISTRATION/AGENCY:

Commissioner Michael Bzdyra, Department of Motor Vehicles-

Sections one, two, nine and eleven increase the time an online business customer such as a dealer, lessor or registration service has to submit electronic documents to the DMV after a transaction. This is not only a convenience to our business customers but allows additional processing time for DMV personnel.

Sections three and four eliminate the requirement on customers to return the registration certificates and marker plates when cancelling or not renewing a registration. DMV's online services now include registration cancellation, and proof of cancellation can be printed from home so customers do not have to go to DMV branch to return plates or registration certificates. This change will reduce customers' extra foot traffic and should reduce wait times in our branches.

Section eight, in an effort to provide clarification and create efficiencies for dealers and repairers, we have proposed clearly identifying how a dealer can add property or buildings to its current location without having to obtain zoning approval or amending its current license. Section twelve would allow for repairers that also have wreckers to maintain their records electronically.

Sections thirteen and fourteen clarify prerequisites for reinstatement of an operator after a "lifetime" (third conviction) revocation for Operating Under the Influence (OUI or DUI) and establish that the penalty for certain offenses committed by persons under the age of twenty-one is tied to the date of

violation, not the date of conviction. Current statutory language allows for the unintended result of avoiding penalties by manipulating the conviction date.

Section sixteen provides a structure for school bus carriers who are required to check the DMV Suspended Driver List. Instead of requiring carriers to simply check this list “twice monthly,” carriers will now have to check during the first and third week of every month. The intention is to prevent a carrier from checking the driver list on two consecutive days allowing for the possibility of having a suspended driver go undetected for several weeks. This section also calls for the immediate removal of a suspended bus driver contrasted with the current requirement of removal within forty-eight hours which risks the transporting of children by a suspended driver.

Sections twenty and twenty-one would repeal two overly burdensome processes required of DMV during the last legislative session. Section twenty would repeal the process of DMV having to request owner information for vehicles registered in other states to try to determine whether a vehicle is properly registered in Connecticut for local property tax purposes. Section twenty-one would remove the burdensome process of DMV determining exactly which school bus carriers are viewing the DMV Suspended Driver List, which requires additional resources and staffing for the DMV. School Bus carriers are already required to check this list, the burden is rightfully on them, and they take their responsibility seriously. DMV also understands its key role in driver safety and student transportation; however, DMV should not be required “to check to see if the carriers are checking the list to check to see if their school bus drivers are suspended.”

NATURE AND SOURCES OF SUPPORT:

House Republican Caucus-

We believe it's time we make a structural change and expand our public-private partnerships in an effort to provide DMV-related services to the public in the most convenient and efficient way possible. Consequently, we respectfully request that substitute language be added to HB 5312 to require the DMV to privatize its services that are not already privatized. DMV already has the authority to contract out its services, but has chosen only to allow the AAA to process drivers' license renewals and registration transactions. The DMV provides 131 different services, but only a few of these services need to be done by the department. At least some privatization, expanding Department reliance on contracts with independent contractors and delegating simple transactions to them, would provide Connecticut motorists with more options and more convenience. The government's current monopoly on providing DMV services provides no effective incentive for ensuring customer satisfaction – it's not as if the customer can go elsewhere. Where they can, they do – as evidenced by the increasing movement of customers to AAA, and the loud outcry when such private services are no longer available. The more government tries to do, the less it does well. We can do more with less if we focus on our core government function. Privatizing DMV services is a positive step in the right direction.

Lee Telke, Executive Director, Towing & Recovery Professionals of Connecticut (TRPC)-

We are the industry that brings in the equipment, when there is an accident or disabled vehicle, and complete clearance and recovery operations so the highways may be reopened. To clear a major incident equipment valued at more than two million dollars may be required. We also have to remove and store the damaged vehicles. To conduct this business a substantial parcel of land is required, towing and recovery equipment must be stored and ready to move on a moments notice, buildings for maintenance and storage of vehicles are essential. HB 5312 Section 8 will have a major impact on businesses that have common ownership and business locations across the street from each other. Currently we can place adjacent property, such as this, on the same license. We do have some dealers that are currently in this situation – this change could adversely affect their ability to sell their businesses in the future. It would require adjacent locations to undergo separate licensing, insurances, filings, records and many other items to complicate the business efforts. It is difficult enough to expand onto “adjacent” property, town approvals are necessary and DMV must also check the “new” location. If the property had to be “abutting” property it would make it nearly impossible to expand as your possibilities for expansion of the property would be extremely limited, most business would be forced into relocation (possibly into another town) rather than expansion of the current location, creating a severe restrictive economic condition.

NATURE AND SOURCES OF OPPOSITION:

Senator Michael McLachlan 24th- Section 20 (h) of the current bill deletes language from PA 17-2 which established a procedure that would help our local tax assessors in collecting property tax from motor vehicles that are registered in other states that are liable to pay for property taxes in Connecticut. The State of Connecticut has an ongoing problem of the residents of Connecticut registering their cars in other states in order not to pay CT property taxes. This is especially an issue on our boarder cities and towns.

Amy Blaymore Paterson, Esq., Executive Director, Connecticut Land Conservation Council- CLCC is concerned that Section 6 of H.B. 5312 eliminates the existing provisions that prohibit refunds of the fees for both the Passport to the Parks and the Clean Air Act fee programs, potentially undermining the respective fee structures and disrupting the dedicated funding streams for both programs. Please remove Section 6 from H.B. 5312.

David Dietsch & John Chaponis, Legislative Chairmen, Connecticut Association of Assessing Officers- We are only troubled by Sec. 20, which would repeal and replace CGS 12-71b. Specifically because that section is attempting to repeal subsection (h), which was brand new legislation that passed last year as part of PA 17-2 (Sec. 556). For several years now, Connecticut municipalities have been pleading for help to combat the growing problem of residents registering their motor vehicles out of state to avoid taxes. Twenty years ago, PA 17-2 would have been unnecessary because the Connecticut DMV had an office entitled “Registration Compliance” that investigated out of state plates that were in Connecticut beyond the 60 day legal grace period allowed when a person moves in to Connecticut.

CAAO believes that PA 17-2 is a win/win because the State and municipalities are both losing revenue on this serious problem that continues to mushroom. The State is losing money on registration renewals while the municipalities are losing local taxes. Please do not take away our only access to these records without offering an alternative solution.

Eric Hammerling, Executive Director, Connecticut Forest & Park Association-

Passport to the Parks is supported by a \$10 fee on DMV registrations, and in return, all Connecticut residents receive the benefit of no parking fee (a.k.a. free entry) to all State Parks. This is an amazing benefit to the public, and this fee is quite reasonable to provide a new, more sustainable funding source for the operation and maintenance of Connecticut's State Parks. We are concerned by the language put forward in **Section 6 of HB 5312** that would weaken the stability of both the Passport to the Parks Fee as well as the Clean Air Act Fee by removing the existing provisions that would prohibit refunds on these fees. This seems to open the door for offering refunds or allowing exceptions to the current fees which would not only siphon funds away from State Parks and Clean Air programs, but would create additional time-consuming headaches for the DMV to administer.

Reported by: Philip N Mainiero

Date: 3/28/18