Overview

This bill makes several changes to motor vehicle and driver's license law. Most of the changes in the bill are technical or stylistic. The bill repeals the law authorizing special Olympic fund-raising license plates and requires documentation of the source of the main components of assembled motorcycles before they can be titled. It allows learner's permits to be issued to persons before they have completed the classroom phase of driver education if they are enrolled in a program with concurrent classroom and behind-the-wheel instruction and have completed at least 15 hours of classroom instruction.

Section

1. **Unregistered vehicles.** Makes stylistic changes to the law governing unregistered vehicles.

2. **Registration of leased vehicles.** Expands the law that allows a motor vehicle lessor to register a previously-unregistered vehicle for a period of four or more months. This section expands this authorization to include renewals as well as new registrations.

3. **Number on semitrailer plates.** Deletes the requirement that the number on semitrailer plates must correlate with the certificate of title documentation for the semitrailer that is on file with the department. Makes stylistic changes.

- 545 **Veterans service organization plates for motorcycles.** Makes motorcycles ineligible to receive special veterans service organization license plates.

6. **Design of Olympic license plates.** Deletes reference to special Olympic license plates from the law that provides
for decals on special license plates. (The law authorizing Olympic plates is repealed under section 28.)

7 Proof of ownership. Allows a registration certificate in lieu of a certificate of title for issuance of license plates for vehicles with no title.

8 Transfer of ownership. Deletes the law that requires plates for a vehicle the ownership of which has been transferred to be returned to the state. Requires a person who sells a vehicle to another Minnesota resident surrender the plates and assign credit for the remaining months of registration tax to the buyer.

9 Refunds. Amends the law that allows sellers of vehicles to assign tax paid on the vehicle to the new owner, by making it mandatory rather than permissive. Excludes interstate trucks registered under the prorate system.

10 Base state reciprocity. Deletes language that specifies a vehicle's "base state" for purposes of base state reciprocity.

11 Installment payments. Limits the existing law that allows installment payments of registration tax for any registered vehicle, by making it apply only to farm trucks, trucks, trailers, and recreational vehicles.

12 Deputy registrar filing fee. Makes the provision of law that dedicates to the highway user tax distribution fund the $3.50 vehicle registration filing fee that is collected by the state when the vehicle is registered at a department of public safety office apply to the registration of new as well as used vehicles. Under present law the state-collected filing fee on new vehicles is divided equally between the highway user fund and the general fund. Provides that the 50-50 dedication that now applies to new vehicle registrations will apply to all registrations made in conjunction with a title transfer or first application in Minnesota.

13 Transfer fee. Amends the law establishing a $2 fee on transfers of vehicle title by providing that the deposit of revenues from the fee into the general fund is subject to another law that provides for a standing appropriation to the department of public safety for administration of the certificate of title law.

14 Allocation of filing fee. Makes technical changes.

15 Vehicles exempt from certificate of title requirement. Changes the law on vehicles not having a certificate of title. Under present law a list of vehicles is described as not requiring a certificate of title. Under this change the
state would be prohibited from issuing a title to this list of vehicles.

Prohibits the state from issuing a certificate of title requirement to any federally-owned vehicle, including those registered in Minnesota.

Prohibits the state from issuing a title to vehicles regularly used in interstate commerce and titled in another state only if the vehicle is owned by a nonresident.

Prohibits the state from issuing a title to a trailer under 4,000 pounds unless a secured party holds an interest in the trailer or the trailer had previously been titled in Minnesota or another state.

- **Titles for assembled motorcycles.** Requires an applicant for a certificate of title for an assembled motorcycle to be accompanied by documentation (manufacturer's statement, certificate of origin, vendor receipts) of the source of the motorcycle's main components.

8 **Delivery of certificate.** Makes technical changes. Allows a title to be delivered to the owner rather than requiring mailing.

19 **Title fees.** Makes technical changes.

20 **New certificates.** Makes technical changes. Allows a title to be delivered to the owner rather than requiring mailing.

21 **Title transfer fee.** Provides that the $2 fee for transfers of title be paid into the general fund. Under present law the revenue from this fund is already paid into the general fund.

22 **Learner's permits for students in concurrent classroom and laboratory driver education.** Requires a driver education program that offers concurrent classroom and behind-the-wheel instruction to issue a certificate of enrollment to each student who has completed at least 15 hours of classroom instruction. Allows the department to issue an instruction (learner's) permit to a person with the certificate. Requires the department to withdraw the permit if it is informed by the driver education program that the student has not completed the classroom portion.

23 **Reinstatement fee.** Deletes expired language in the law allocating proceeds from the fee for reinstating a driver's license other than for a licensed revoked on an alcohol-related violation. Provides that the handling charge for this reinstatement is paid to any driver licensing agent rather
than being paid only to county-operated deputy registrar offices.

24 **DWI reinstatement fee.** Provides that the handling charge for a driver’s license reinstatement after revocation for an alcohol-related violation is paid to any driver licensing agent rather than being paid only to county-operated deputy registrar offices.

25 **Repeal of sunset provision on leased vehicles.** Repeals the June 1, 2000, sunset of a 1995 law that allows persons with leased vehicles to extend for up to 11 months their registration period to coincide with the period of the lease.

19 **Repealer.** Repeals the law authorizing special Olympic fund-raising plates.

**Effective date.** Makes section 25 effective immediately.