

(P. 277) 2-10-93

Sub Comm. Transportation
Connolly, Gettings, Kersten

(P. 258) 2/8/93 Transportation

FILED FEB 9 1993

SENATE FILE 86
BY PRIEBE

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to motor vehicle registration periods and
2 providing an applicability provision.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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ST 86

1 Section 1. Section 321.1, subsection 60, Code 1993, is
2 amended to read as follows:

3 60. "Registration year" means the period of twelve
4 consecutive months beginning on the first day of the month
5 following the month of the birth of the owner of the vehicle
6 or the first day of the month following the purchase month of
7 the vehicle for vehicles registered by the county treasurer,
8 and means the calendar year for vehicles registered by the
9 department or motor trucks and truck tractors with a combined
10 gross weight exceeding five tons which are registered by the
11 county treasurer.

12 Sec. 2. Section 321.26, subsection 1, Code 1993, is
13 amended to read as follows:

14 1. There are established twelve registration periods for
15 the registration of vehicles by the county treasurer. Each
16 registration period shall commence, at the option of the
17 owner, either on the first day of each calendar month
18 following the month of the birth of the owner of the vehicle
19 or on the first day of the month following the purchase month
20 of the vehicle and end on the last day of the twelfth month.

21 Sec. 3. APPLICABILITY. The purchase month registration
22 option in sections 1 and 2 of this Act applies only to those
23 vehicles purchased on or after July 1, 1993.

24 EXPLANATION

25 This bill expands the registration year for purposes of
26 registering a motor vehicle with the county treasurer to allow
27 the vehicle registration year to commence on the first day of
28 the month following the month of purchase of the vehicle
29 rather than being based solely upon the birth month of the
30 owner of the vehicle. The option is only available for those
31 owners who purchase vehicles on or after July 1, 1993.

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**SENATE FILE 86
FISCAL NOTE**

A fiscal note for Senate File 86 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 86 expands the registration year for the purposes of registering a motor vehicle with the county treasurer by giving the owner the option of registering the vehicle based on the purchase month of the vehicle or the birth month of the owner. The option to register a vehicle based on the purchase month applies only to vehicles purchased on or after July 1, 1994.

Assumptions

1. This bill allows persons to register a newly purchased vehicle up to 30 days after the date of purchase. This would allow persons to operate a vehicle for 30 days without having the vehicle registered, which would amount to an 8% loss (1/12th) in registration fees on newly purchased vehicles.
2. The average registration fee is \$65.
3. The number of vehicles purchased in FY 1994 will be 825,000 similar to the number purchased in 1992.
4. New validation stickers would be required at an annual cost of \$65,000.
5. A one-time computer revision would be necessary at a cost of \$10,000.

Fiscal Effect

1. Loss of revenue to the Road Use Tax Fund: \$4,290,000
(825,000 X \$65 X 8% revenue loss)
2. Cost for validation stickers: \$65,000
3. Cost for computer upgrade: \$10,000

Total cost to the Road Use Tax Fund: \$4,365,000

Source: Department of Transportation

(LSB 1471ss, DLR)

FILED MARCH 15, 1993

BY DENNIS PROUTY, FISCAL DIRECTOR