



**Sub. S.B. 242**

123rd General Assembly

(As Reported by H. Transportation & Public Safety)

**Sens. Oelslager, Carnes, Spada, Mumper, Cupp, Drake, Armbruster, Horn, McLin, Mallory**

**Reps. Clancy, Mettler, Damschroder, Perry, Olman, Patton**

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**BILL SUMMARY**

- Permits an application for a motor vehicle or watercraft registration renewal to be submitted in electronic form.
- Permits a motor vehicle owner and, in certain cases, a watercraft owner to renew a registration by electronic means using electronic signature, and provides that in such a case a manual signature is not required.
- Requires the Registrar of Motor Vehicles and Chief of the Division of Watercraft to adopt rules governing the electronic renewal of motor vehicle and watercraft registration, respectively.

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**CONTENT AND OPERATION**

**Motor vehicle registration**

Under current law, the owner of a motor vehicle (other than a snowmobile, off-highway motorcycle, all-purpose vehicle, and certain other vehicles) that is operated on the public roads or highways generally must register the vehicle annually. At least 45 days prior to the annual registration expiration date, the Registrar must send the registrant an annual renewal notice. An application for a motor vehicle registration renewal may be filed directly with the Registrar of Motor Vehicles or with a deputy registrar, or (under most circumstances) by a centralized system of mail registration. Each registration application must be signed by the owner, directly or by use of an authorized document such as a limited power of attorney. (Secs. 4503.10 and 4503.102.)

### *Electronic registration renewal*

Under the bill, a motor vehicle registration may be renewed by mail or electronic means in accordance with rules adopted by the Registrar, or in person at "any office" of the Registrar or at a deputy registrar's office. The bill permits the owner of a motor vehicle to submit an electronic application for registration renewal by electronic means using an electronic signature in accordance with rules the Registrar adopts.<sup>1</sup> A registration application still must be signed by the owner, but it may be signed either manually or by electronic signature. The bill is silent on how, or whether, a limited power of attorney could be utilized in electronic renewal. (Secs. 4503.10 and 4503.102.)

The bill requires any person renewing a registration, regardless of the renewal method, to renew the registration not more than 90 days prior to the expiration of the previous registration. The requirement for the Registrar to send out a renewal notice 45 days prior to the registration expiration date is unchanged by the bill. (Sec. 4503.102.)

The bill requires registration forms of the Registrar to be updated to reflect the availability of electronic registration and electronic signatures. The forms include registration renewal forms and notices, and statements required with a registration application relating to the financial responsibility requirements and penalties. (Secs. 4503.102 and 4503.20.)

Under the bill, the Registrar must adopt rules (in accordance with the Administrative Procedure Act) governing the renewal of motor vehicle registrations by electronic means and the completion and submission of financial responsibility statements. (Sec. 4503.20.)

Currently, if the Registrar is prohibited from accepting a registration application, the Registrar returns the application and payment to the owner. The bill specifies that if the owner of a motor vehicle submits a registration renewal application to the Registrar by electronic means and the Registrar is prohibited from accepting the application, the Registrar must notify the owner of this fact (the method of notification is not specified), deny the application, and return the

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<sup>1</sup> *The bill defines "electronic" as including "electrical, digital, magnetic, optical, electromagnetic, or any other form of technology that entails capabilities similar to these technologies" (sec. 4501.01(OO)). "Electronic signature" is defined as "a signature in electronic form attached to or logically associated with an electronic record" (sec. 4501.01(QQ)). An "electronic record" is defined as "a record generated, communicated, received, or stored by electronic means for use in an information system or for transmission from one information system to another" (sec. 4501.01(PP)).*

payment or give a credit on the "financial transaction device" (see below) account of the owner in the manner the Registrar prescribes by rule. (Sec. 4503.102(E)(2).)

### **Credit card payments**

Current law authorizes the Registrar to implement a program permitting payment of motor vehicle registration taxes and fees, license fees, and any other taxes, fees, penalties, or charges imposed or levied by the state by means of a credit card, and also requires a surcharge sufficient to pay the service charge of the financial institution or credit card company. The bill replaces the surcharge requirement with authorization for payment of taxes and fees by means of "financial transaction devices" pursuant to a general provision governing payment of state expenses by such means (sec. 4503.102(H)). Under the general provision, the Board of Deposit establishes the requirements for the acceptance of payments by financial transaction device (defined under law unaffected by the bill as including credit cards, debit cards, charge cards, and prepaid or stored value cards) and may establish a surcharge or convenience fee that may be imposed upon a person making payment by a financial transaction device.<sup>2</sup> The bill adopts the existing definition of "financial transaction device" by reference (sec. 4501.01(RR)).

### **Registration of watercraft**

Under current law, the owner of every watercraft that is required to be registered must file an application for a triennial registration certificate with the Chief of the Division of Watercraft on forms the Chief provides. The application must be signed by the following:

(1) If the watercraft is owned by two persons under joint ownership with right of survivorship, by both of those persons as its owners (sec. 1547.54(A)(1)(a)).

(2) If the watercraft is owned by a minor, by both the minor and a parent or legal guardian (sec. 1547.54(A)(1)(b)).

(3) In all other cases, by the watercraft owner (sec. 1547.54(A)(1)(c)).

The bill permits the application for registration of a watercraft to be done by an electronic means approved by Chief of the Division of Watercraft (sec. 1547.54(A)(1)). The required signatures on the application may be done by

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<sup>2</sup> Sec. 113.40.

electronic signature if the owners themselves are renewing the registration (presumably meaning no agent or person holding a power of attorney is acting on behalf of the owners) and there are no changes in the registration information since the issuance of the immediately preceding registration certificate. In all other instances, the signatures must be done manually.

The bill requires the Chief, in accordance with the Administrative Procedure Act, to adopt rules governing the renewal of watercraft by electronic means (sec. 1547.54(N)).<sup>3</sup>

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## HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	01-19-00	p. 1317
Reported, S. Highways & Transportation	03-29-00	pp. 1537-1538
Passed Senate (33-0)	03-29-00	pp. 1538-1539
Reported, H. Transportation & Public Safety	05-17-00	p. 1995

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<sup>3</sup> *In the watercraft registration provisions, the terms "electronic" (sec. 1547.01(B)(28)), "electronic signature" (sec. 1547.01(B)(30)), and "electronic record" (sec. 1547.01(B)(29)) are defined in the same manner as those terms are defined in the motor vehicle registration provisions.*