

**Rhode Island Department of Revenue
Division of Motor Vehicles**

**Rules and Regulations Regarding the Structure and Use
of Surcharges for Division of Motor Vehicles Transactions
Pursuant to P.L. 2009, Chapter 68, Article 17**

NOTICE OF PUBLIC HEARING

The Department of Revenue, Division of Motor Vehicles has under consideration an amendment to the **Rules and Regulations Regarding the Structure and Use of Surcharges for Division of Motor Vehicles Transactions**. This proposal will amend the rules and regulations adopted in 2007 regarding the time period that the Division of Motor Vehicles may charge a one dollar and fifty cents (\$1.50) surcharge for certain transactions, including all license and registration transactions, and certain miscellaneous transactions, by extending the time period for this presently enacted surcharge from July 1, 2014 until July 1, 2017. The purpose of this surcharge is to cover the cost of developing computer systems in support of the Division of Motor Vehicles.

Notice is hereby given in accordance with the provisions of Chapter 42-35 of the Rhode Island General Laws, as amended, that a public hearing on this proposed rules and regulations amendment shall be held on Thursday, February 18, 2010 at 10:00 a.m., at the Division of Motor Vehicles, 100 Main Street, Pawtucket, RI, 02860, at which time and place all persons interested will be heard.

In the development of the proposed rules and regulations, consideration was given to the following: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small business, as defined in Chapter 42-35 of the Rhode Island General Laws, as amended, which may result from these regulations. No alternative approach, overlap/duplication nor significant economic impact on small business was identified based upon available information.

Copies of the proposed amended rule are available for public inspection from Steven Raffa, Esq., DMV Legal Counsel, at the Division of Motor Vehicles, 100 Main Street, Pawtucket, RI, 02860, by calling (401) 462-1208, or by sending an email to Steven Raffa at sraffa@dmv.state.ri.us. Copies may also be viewed on the Division of Motor Vehicles website at <http://www.dmv.ri.gov>. In compliance with RI Gen. Laws 42-35-3(a)(1), copies of a concise summary of non-technical amendments are also available upon request.

For the sake of accuracy, it is requested that statements made relative to any aspect of the regulations, including alternative approaches, overlap/duplication or significant economic impact on small business, be submitted in writing at the time of the hearing or mailed

prior to the hearing to: Steven Raffa, Esq., DMV Legal Counsel, Division of Motor Vehicles, 100 Main Street, Pawtucket, RI 02860. Oral statements made at the public hearing will be considered, but should be limited to five minutes each.

The Division of Motor Vehicles is accessible to individuals with disabilities. Individuals requesting interpreter services for the hearing impaired must call James Pitassi at 222-6395 at least forty-eight (48) hours in advance of the hearing date.

Signed this ___ day of January, 2009

Sara R. Strachan,
Administrator, Division of Motor Vehicles

Concise Summary of All Non-Technical Amendments Pursuant to RI Gen. Laws 42-35-3(a)(1)

The Department of Revenue, Division of Motor Vehicles proposes to amend the administrative rules and regulations regarding the time period that the Division of Motor Vehicles (“Division”) may charge a one dollar and fifty cents (\$1.50) surcharge for certain Division transactions, including all license and registration transactions, and certain miscellaneous transactions, by extending it from July 1, 2014 until July 1, 2017. P.L. 2006, Chapter 246, Article 7 enacted this surcharge through July 1, 2014 in order to finance the upgrade of the Division’s computer system. P.L. 2009, Chapter 68, Article 17 extended the surcharge from July 1, 2014 until July 1, 2017. The Department of Revenue, Division of Motor Vehicles now seeks to amend its administrative rules and regulations to also extend the surcharge until July 1, 2017.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
~~DEPARTMENT OF ADMINISTRATION~~
DEPARTMENT OF REVENUE
DIVISION OF MOTOR VEHICLES

**RULES AND REGULATIONS
GOVERNING THE STRUCTURE AND USE OF SURCHARGES ON
DIVISION OF MOTOR VEHICLES TRANSACTIONS**

Pursuant to ~~Chapter 246 of the 2006 Public Laws,~~
~~Article 7, Debt Management Act Joint Resolutions, Section 4~~
Chapter 68 of the 2009 Public Laws,
Article 17, Debt Management Act Joint Resolutions, Section 5

June 2007
January 2010

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
~~DEPARTMENT OF ADMINISTRATION~~
DEPARTMENT OF REVENUE
DIVISION OF MOTOR VEHICLES

RULES AND REGULATIONS FOR
STRUCTURE AND USE OF SURCHARGES
ON DIVISION OF MOTOR VEHICLES TRANSACTIONS

SECTION 1. PURPOSE

The purpose of these rules and regulations is to establish guidelines for the imposition of a surcharge on all transactions at the division of motor vehicles and for the use of revenues generated by that surcharge, pursuant to the mandate in ~~Public Law 2006, Chapter 246, Article 7, Relating to Debt Management Act Joint Resolutions, Section 4~~ (hereinafter “~~Article 7~~”) Public Law 2009, Chapter 68, Article 17, Relating to Debt Management Act Joint Resolutions, Section 5 (hereinafter “Article 17”).

SECTION 2. AUTHORITY

These rules and regulations are promulgated pursuant to a resolution contained in Article ~~7~~ 17 and in accordance with R.I.G.L. Chapter 42-35, of the Rhode Island General Laws of 1956, as amended. This resolution states in pertinent part as follows:

“RESOLVED, That the General Assembly hereby approves financing in an amount not to exceed \$13,000,000 to develop computer systems to support the division of motor vehicles, including \$12,795,000 for the project and \$205,000 for associated cost of financing; provided that costs of financing would be borne by a surcharge on all transactions over the ten year period; and provided further that the department of administration shall develop and adopt by rule and regulation pursuant to this section that surcharge and structure not to exceed ~~seven (7)~~ ten (10) years and that all revenues from that surcharge be used exclusively for the payment of the principal, interest, ~~and~~ issuance ~~and project~~ costs associated with the ~~\$13,000,000~~ cost of the system....”

SECTION 3. ASSESSMENT OF SURCHARGE

3.1. In order to recover the payment of the principal, interest and issuance costs for the ~~\$13,000,000~~ system, a surcharge, in the amount of one dollar and fifty cents (\$1.50), per transaction shall be assessed by the division of motor vehicles on the following transactions:

3.1.1. All license transactions, including, but not limited to:

Exam
Duplicate Permit

Permit
First License

Cycle Permit
Chauffeurs License

	Cycle License	CDL License	Out of State License
Transfer	Renewal	Duplicate License	New Identification
	Reissue Identification	Duplicate Identification	Limited Permit
	Limited License		

3.1.2. All license transactions, including, but not limited to:

New Registration	Transfer of Registration	Duplicate Certificate
Plate Changes	Title Only	Renewal of Registration

3.1.3. All miscellaneous division of motor vehicles transactions, including, but not limited to:

	Dealer Plates	Inspection Station License	School Bus Registration
Fee	New Dealer License	Used Dealer License	Lease/Rental License
	Supplemental Location	Manufacturer License	Flashing Lights
	Salvage Inspection	Driving Abstracts	Jitney
	Public Plated over 8500 lbs.	Public Plated under 8500 lbs.	Manufacturer's
Representative			License

3.2 Collection of this surcharge will commence on July 1, 2007, at the time that each of the above transactions is processed, and shall continue for a period not to exceed July 1, ~~2014~~ [2017](#).

3.3 All revenues generated by this surcharge shall be tracked separately by the division of motor vehicles and shall be used in accordance with state law to finance the new computer system for the division of motor vehicles.

SECTION 4. LIBERAL CONSTRUCTION

The terms and provisions of these rules and regulations shall be liberally construed to permit the department of ~~administration revenue, division of motor vehicles~~ to effectuate the purposes of determining a surcharge fee structure and imposing restrictions on the use of revenues generated by the surcharge.

SECTION 5. SEVERABILITY

If any provision of the rules and regulations, or the application thereof to any person or circumstances, is held invalid by a court of competent jurisdiction, the validity of the remainder of the rules and regulations shall not be affected thereby.

SECTION 6. EFFECTIVE DATE

The rules and regulations shall take effect twenty (20) days after filing with the Secretary of State's Office.

