

2013 HOUSE TRANSPORTATION

HB 1125

2013 HOUSE STANDING COMMITTEE MINUTES

House Transportation Committee Fort Totten Room, State Capitol

HB 1125
01/17/13
Job 17345

☐ Conference Committee

Committee Clerk Signature

Jeanette Cook

Explanation or reason for introduction of bill/resolution:

A bill relating to notarized certificates for vehicle registration.

Minutes:

Attachment 1-2

Chairman Ruby called the hearing to order on HB 1125.

Linda Sitz, director of Motor Vehicle Division, North Dakota Department of Transportation spoke in support of HB 1125 and provided written testimony. See attachment #1.

Chairman Ruby: Can you explain this again for us?

Linda Sitz: This extends the length of time you can drive on a permit of notary certificate without having the plates on the vehicle.

Chairman Ruby: Is this because the office can't get the licenses out soon enough? Is there a way that can be improved?

Linda Sitz: We are working on ways to improve the processing, but that is the reason. We are behind on processing.

Representative Becker: I am in support of this. I have had to call in and extend a certificate.

Chairman Ruby: I think state wide law enforcement understands. Are people getting tickets for this?

Linda Sitz: We have had citizens call in and say that they have been stopped by the Highway Patrol because their sticker has expired. I believe they are just getting warnings.

Representative Drovdal: I agree we need to extend it. Are we making any progress in speeding up the process of registering vehicles?

Linda Sitz: Motor Vehicle is working on several options to speed up the process. We are looking at outsourcing functions, and have presented in our budget to get a new computer system. That would definitely help us with the process. We are looking at reviewing the current business model that we have at the branch offices.

Vice Chairman Owens: This is not just for licenses for new vehicles, is it? It is any time you need to get a new license (tag)?

Linda Sitz: Yes, it is.

Chairman Ruby: How do we compare with the other states in the time to get the plates back?

Linda Sitz: I don't know most of them. At one time Minnesota was 90 days behind.

Representative Vigesaa: There is a form for people to send in their own tax and license money. It is a thirty day permit. Should that also be increased?

Linda Sitz: At this time we are not looking at that because they can come into our office. Normally with a private sale, they walk in and do the processing. It is a little bit faster.

Chairman Ruby: Are you worried that the perception might be that now it will just take longer, rather than work at trying to getting it done within the 45 day range?

Linda Sitz: This extension, as far as the dealership, they still have to get their work into us within the 30 days. Before we only had 15 days to do the processing. So if the dealership was waiting for the 30th day before they sent it to us, we didn't have enough time to get it turned around. So, it is extending our amount of time to do the processing. We always work on the work by the Julian Date, first in first out. I can't foresee any intended delays because of this.

Vice Chairman Owens: Is the problem seasonal?

Linda Sitz: Yes, for instance, every three years we have the mobility impaired plaquards that we have to take care of. Right now we just processed those. It is a priority because it is for handicapped individuals. We assigned a lot of staff time to getting them out. That caused us to be behind some.

Matthew C Larsgaard, MBA, Automobile Dealers Association of North Dakota provided written testimony in support of HB 1125.

There was no further testimony in support of HB 1125.
There was no testimony in opposition to HB 1125.

Chairman Ruby closed the hearing on HB

Representative Drovdal moved a DO PASS on HB 1125.
Vice Chairman Owens seconded the motion.

Representative Vigesaa wished to add an amendment to add an emergency clause.

Representative Drovdal and Vice Chairman Owens withdrew their motion.

Representative Vigesaa moved to add the emergency clause to HB 1125.

Representative Weisz seconded the motion.

A voice vote was taken. All aye. The motion carried.

Representative Delmore moved a DO PASS on HB 1125 as amended.

Representative Weisz seconded the motion.

A roll call vote was taken. Aye 14 Nay 0 Absent 0

The motion carried.

Representative Vigesaa will carry HB 1125.

13.8067.01001
Title.02000

Adopted by the Transportation Committee

January 17, 2013

Done 1/17/13

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1125

Page 1, line 2, after "registration" insert "; and to declare an emergency"

Page 1, after line 17, insert:

"SECTION 2. EMERGENCY. This Act is declared to be an emergency measure."

Re-number accordingly

Date: 1-17-13
Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1125

House Transportation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt
Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Drovdal Seconded By Owens

Representatives	Yes	No	Representatives	Yes	No
Chairman Dan Ruby			Rep. Lois Delmore		
Vice Chairman Mark Owens			Rep. Edmund Gruchalla		
Rep. Rick Becker			Rep. Kylie Oversen		
Rep. David Drovdal					
Rep. Robert Frantsvog					
Rep. Brenda Heller					
Rep. Curtiss Kreun					
Rep. Mike Schatz					
Rep. Gary Sukut					
Rep. Don Vigasaa					
Rep. Robin Weisz					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 1-17-13
Roll Call Vote #: 2

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1125

House Transportation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt
Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Amendment Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Dan Ruby			Rep. Lois Delmore		
Vice Chairman Mark Owens			Rep. Edmund Gruchalla		
Rep. Rick Becker			Rep. Kylie Oversen		
Rep. David Drovdal					
Rep. Robert Frantsvog					
Rep. Brenda Heller					
Rep. Curtiss Kreun					
Rep. Mike Schatz					
Rep. Gary Sukut					
Rep. Don Vigasaa					
Rep. Robin Weisz					

Total (Yes) 14 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 1-17
Roll Call Vote #: 3

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 11.25

House Transportation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt
Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Delmore Seconded By Weisz

Representatives	Yes	No	Representatives	Yes	No
Chairman Dan Ruby	X		Rep. Lois Delmore	X	
Vice Chairman Mark Owens	X		Rep. Edmund Gruchalla	X	
Rep. Rick Becker	X		Rep. Kylie Oversen	X	
Rep. David Drovda	X				
Rep. Robert Frantsvog	X				
Rep. Brenda Heller	X				
Rep. Curtiss Kreun	X				
Rep. Mike Schatz	X				
Rep. Gary Sukut	X				
Rep. Don Vigasaa	X				
Rep. Robin Weisz	X				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Vigasaa

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1125: Transportation Committee (Rep. Ruby, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1125 was placed on the Sixth order on the calendar.

Page 1, line 2, after "registration" insert "; and to declare an emergency"

Page 1, after line 17, insert:

"SECTION 2. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

2013 SENATE TRANSPORTATION

HB 1125

2013 SENATE STANDING COMMITTEE MINUTES

Senate Transportation Committee Lewis and Clark Room, State Capitol

HB 1125

3/07/2013

Recording job number 19551

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Relating to notarized certificates for vehicle registration and to declare an emergency

Minutes:

Attached testimony: 1

Chairman Oehlke opened the hearing on HB 1125

Linda Sitz Director of Motor Vehicle Division, North Dakota Department of Transportation (DOT) This bill will extend the valid time a citizen may use the notary certificate they receive after purchasing a vehicle as evidence of registration fees paid from 45 days to 60 days. This change would provide better customer service. Written testimony #1

Senator Sitte What is your average backlog? I have been hearing complaints about people having to go back in and getting a new certificate, maybe we should increase this to 75 days.

Linda Sitz Before session started it was 11 weeks, because this is our year to do placards and they were a priority. Currently we are 6 weeks behind, because staff has been working extensive overtime. We will work with whatever days the committee decides.

Chairman Oehlke Does it give you more comfort to have 75 days instead of 60?

Linda Sitz There are a lot of factors and changes happening in Motor Vehicles. We are looking into replacing our outdated vehicle registration system, it would speed up our processing. We also are looking to outsource some of our work, as in the call center and some of our training because of the turnaround. Once those items are implemented I feel that sixty days would be adequate for us to work with. The dealership can't hold the paperwork any longer than what they used to do before, 30 days and give us 15 days for processing. That was part of the problem; we count it from the time it comes into the office not from when the actual purchase was made.

Senator Sinner Are there any reasons why we shouldn't do this; any potential problems by increasing the amount of days? Don't dealers withhold the tax until they submit the application as well?

Linda Sitz there is no negative about extending these dates. Since the dealer doesn't actually give the tax out, central office does, we can't process it until we get that paperwork in. In some cases as long as we get all the needed information needed we can get this turned around in a reasonable amount of time.

Senator Campbell Do dealers have 30 days to submit the tax?

Linda Sitz That is a possibility because their books won't be dinged until they send us the payments.

No additional testimony Hearing closed

Senator Sitte Moved to amend bill to change from "60" to "75" days

Vice Chairman Armstrong seconded

Voice vote to adopt amendment 7 ayes 0 no

Senator Sitte moved DO PASS AS AMENDED

Vice Chairman Armstrong Seconded

Roll call vote Yes 7 No 0 Absent 0

Carrier **Senator Sitte**

13.8067.02001
Title.03000

Prepared by the Legislative Council staff for
House Transportation Committee
March 7, 2013

3/7/13
TD

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1125

Page 1, line 15, replace "sixty" with "seventy-five"

Renumber accordingly

Date: 3/07/13
Roll Call Vote #: 1

**2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL 1125**

Senate TRANSPORTATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 13.8067.02001

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Sitte Seconded By Senator Armstrong

Senators	Yes	No	Senator	Yes	No
Chairman Dave Oehlke			Senator Tyler Axness		
Vice Chairman Kelly Armstrong			Senator George Sinner		
Senator Margaret Sitte					
Senator Tim Flakoll					
Senator Tom Campbell					
Voice Vote					

Total (Yes) 1 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

In page 1 line 15 replace "sixty" with "seventy-five"

Date: 3/07/13
Roll Call Vote #: 2

**2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL 1125**

Senate TRANSPORTATION Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 13.8067.02001

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Sitte Seconded By Vice Chairman Armstrong

Senators	Yes	No	Senator	Yes	No
Chairman Dave Oehlke	✓		Senator Tyler Axness	✓	
Vice Chairman Kelly Armstrong	✓		Senator George Sinner	✓	
Senator Margaret Sitte	✓				
Senator Tim Flakoll	✓				
Senator Tom Campbell	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Sitte

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1125, as engrossed: Transportation Committee (Sen. Oehlke, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1125
was placed on the Sixth order on the calendar.

Page 1, line 15, replace "sixty" with "seventy-five"

Renumber accordingly

2013 TESTIMONY

HB 1125

House Transportation COMMITTEE
January 17th, 2013 – 10:30 a.m. – Fort Totten

North Dakota Department of Transportation
Linda Sitz, Director of Motor Vehicle Division
House Bill 1125

Mr. Chairman and members of the committee - I'm Linda Sitz, Director of the Motor Vehicle Division at the North Dakota Department of Transportation (DOT). Thank you for giving me the opportunity to present information to you today.

The DOT pre-filed House Bill 1125 as an agency bill. The bill will extend the valid time a citizen may use the notary certificate they receive after purchasing a vehicle as evidence of registration fees paid from 45 days to 60 days. Currently, if the notary certificate the citizen received upon purchase of the vehicle expires after 45 days, they must go back to the dealership or to a motor vehicle office to get an extension. This change would provide better customer service to our citizens.

Mr. Chairman, I would be happy to answer any questions at this time. Thank you.

House Bill 1125
Testimony before House Transportation Committee
Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota
10:30 a.m., January 17, 2013

1/12/13

Mr. Chairman and members of the committee, my name is Matthew Larsgaard and I am appearing in support of House bill 1125 on behalf of the Automobile Dealers Association of North Dakota which consists of our state's franchised new car dealers.

We were contacted by the ND Department of Transportation regarding this bill and are happy to support them in their effort to extend the notary certificate or "drive out sticker" from 45 to 60 days.

In almost every situation when a motor vehicle is purchased from a dealership the customer asks the dealer to complete and submit the application for title, license, and registration. The dealer will then complete the appropriate documents and issue the customer a 45 day certificate of notary which is attached to the vehicle while the registration procedure is completed.

In many cases the dealer is unable to immediately submit the registration documents for any number of reasons: 1) it takes several business days for a customer's check to clear 2) the customer may change their mind and want a different vehicle 3) the motor vehicle title may not be available at the time of sale which is usually a result of a lost title, or much more commonly, a title being held by a lien holder.

Lien holder release of titles can be severely delayed at times. Dealers have informed us that some finance companies are extremely slow in releasing titles. They have also stated that getting lien holder titles from Minnesota is very slow. Since dealers are required to submit the title along with the application to the

DOT, they need to hold those applications until the title arrives.

It is not uncommon for dealers to offer vehicles for sale while they wait for titles from lien holders—and often they sell vehicles before the titles arrive. Again, without the title the dealer cannot submit the application to the DOT.

Within 30 days the dealer must submit the application form, the appropriate motor vehicle excise tax and a copy of the motor vehicle title (or MSO) to the motor vehicle division. However, the DOT needs time to process the application and send the new title, license, and registration to the customer. Currently, this process may take up to several weeks to accomplish and could leave the customer driving a vehicle with an expired certificate of notary. If they happen to be pulled over by law enforcement officials the customer may be cited for the expired certificate.

Mr. Chairman, members of the committee, this bill simply extends the time allowed to complete the motor vehicle registration process. Thank you for the opportunity to testify.

Matthew C. Larsgaard, MBA
Automobile Dealers Association of North Dakota

Testimony 1

**SENATE TRANSPORTATION COMMITTEE
March 7th, 2013 – 10:30 a.m. – Lewis and Clark**

**North Dakota Department of Transportation
Linda Sitz, Director of Motor Vehicle Division
House Bill 1125**

Mr. Chairman and members of the committee - I'm Linda Sitz, Director of the Motor Vehicle Division at the North Dakota Department of Transportation (DOT). Thank you for giving me the opportunity to present information to you today.

The DOT pre-filed House Bill 1125 as an agency bill. The bill will extend the valid time a citizen may use the notary certificate they receive after purchasing a vehicle as evidence of registration fees paid from 45 days to 60 days. Currently, if the notary certificate the citizen received upon purchase of the vehicle expires after 45 days, they must go back to the dealership or to a motor vehicle office to get an extension. This change would provide better customer service to our citizens.

Mr. Chairman, I would be happy to answer any questions at this time. Thank you.