

## OFFICE OF POLICY AND LEGAL ANALYSIS

Date: April 20, 2021  
To: Transportation Committee  
From: Karen S. Nadeau, Legislative Analyst

### **LD 1104 – An Act To Increase the Time for Which a Temporary Motor Vehicle Registration Plate is Valid**

#### **SUMMARY:**

- Increases from 14 to 30 the number of days a person may operate a motor vehicle or trailer with a temporary registration plate without payment of a regular registration plate fee.

#### **TESTIMONY:**

**Proponents:** *Maine Automobile Dealers Association; Maine Municipal Association*

- Auto dealers expressed concerns with the current titling system timeline.
- The problem this LD addresses is primarily driven by the inability of dealerships to receive titles on used vehicles from lienholders (mostly national financial institutions) in a timely manner.
- MADA appreciates that this proposed change may slightly delay some registrations and related payment of municipal excise tax; the municipalities will still receive the appropriate amounts and in most cases within the same calendar month.
- Municipal officials believe this bill will provide a more adequate length of time for an individual to navigate the multi-step process involved with registering a vehicle for the first time.

**Opponents:** *None*

**NFNA:** *Bureau of Motor Vehicles*

- BMV feels that this bill will have no negative impact on the operations of the Dealer Licensing section.
- Extending the temporary plate from 14 to 30 days will have no negative impact on the consumer; this bill may provide needed time to prepare for registering their newly purchased vehicle.
- The dealer pays \$1 for a temporary plate and in most cases this cost is passed on to the consumer at the time of sale; the cost of the temporary plate would remain the same (as proposed in the bill), the dealer would just increase the expiration date written on the plate.

#### **NOTES:**

**LD 645 – Resolve, To Create an Electronic Titling Work Group**

TRA recently voted – majority report OTP-A (11) and minority report ONTP (2).

**FISCAL IMPACT:** *Not yet received.*