

Title 12 – DEPARTMENT OF REVENUE
Division 10 – Director of Revenue
Chapter 23 – Motor Vehicle

PROPOSED RULE

12 CSR 10-23.550 Lease Rental Companies

PURPOSE: This rule clarifies application, inspection, issuance, and procedures related to Lease Rental Fleet Companies

(1) As used herein, the term “Registered fleet owners” shall mean lease rental companies that are qualified and have been issued fleet registration as prescribed in subsections 6 through 10 of section 301.032, RSMo.

(2) Registered fleet owner applicants shall apply to the department by completing an application prescribed by the director and by providing the following:

(A) The registered name, address, and contact information of the applicant, including a phone number and e-mail address;

(B) Proof of compliance with the minimum number of fleet vehicles as prescribed in section 301.032;

(C) The name and e-mail address for an account administrator designated by the applicant for purposes of creating and maintaining an account to provide fleet motor vehicle information to the department; and

(D) Proof of financial responsibility that covers every vehicle in the registered fleet owner’s fleet.

(3) On any day in which fleet vehicles are registered, the registered fleet owner shall prepare a file with motor vehicle fleet information for the purposes of updating the department’s registration records. Such information shall be submitted to the department Monday through Friday excluding state and federal holidays. The director will provide the registered fleet owner an informational packet which will include the method and format data is to be provided to the director.

(4) Motor vehicles that are registered as a fleet as prescribed in section 301.032, RSMo, must meet the following conditions:

(A) Must be a passenger motor vehicle, or truck that can be registered at a beyond local twelve thousand (12,000lb) pound weight zone or below; and

(B) Vehicle must be titled in the registered fleet owner’s name.

(5) License plate inventory that is not currently registered to a vehicle in the registered fleet owner’s fleet must be:

(A) Kept in a lockable storage unit, stationary safe that is securely affixed to a non-movable surface, walk-in safe or vault, closet, cabinet, or a combination of these;

(B) Kept locked at all times until registered to a vehicle in the registered fleet owner's fleet; and

(C) Accounted for and reconciled by the registered fleet owner each business day in which fleet vehicles are registered, including how much inventory remains unutilized; what, if any, inventory has been transferred; and whether any inventory has been surrendered to the department or destroyed.

(6) Registered fleet owners authorized in subsections 6 through 10 of section 301.032, RSMo shall be issued special license plates. Each set of license plates shall bear the name or abbreviated name of this state, the letters "LR" to the left of the plate configuration, the word "fleet" at a location set forth by the director, and an arrangement of numbers or letters, or both, as shall be assigned from year to year by the director. The plates shall also contain fully reflective material with a common color scheme and design for each type of license plate issued, shall be clearly visible at night, and shall be aesthetically attractive, as prescribed in section 301.130, RSMo.

(7) Registered fleet owner licenses will be issued for no more than two years and will expire on December 31 of the second year. Registered fleet owners may obtain license plates with an expiration that coincides with the license expiration. Registered fleet owners choosing to discontinue licensure during or at the end of their licensure year shall notify the department and immediately surrender all unissued plate inventory, and collect and return to the department all issued inventory within sixty (60) days of discontinuation or expiration of the license.

(8) Registered fleet owners shall cooperate with any investigation or audit by the department authorized in section 301.032, RSMo. Registered fleet owners shall permit an employee or agent of the department to inspect, during normal business hours, any and all motor vehicle fleet records as deemed necessary, and shall make requested records available for review or provide electronic copies of records within fifteen (15) business days in order to comply with the provisions of this section.

(9) Notwithstanding section (8) above, the department may request copies of any and all documents, logs, or books related to the accounting and reconciliation required by subsection (5)(C) above. Said documents may be provided either in paper or digital format, but must be provided to the department within two (2) business days from the date of the request. This section shall not be construed to grant registered fleet owners two (2) business days to comply with a request for immediate inspection of such documents as described in section (8) above.

(10) The department may refuse to issue or renew any license required pursuant to subsections 6 through 10 of section 301.032, RSMo, for a specified period of time for any finding of fraud, misrepresentation, fleet license plate misuse, improper motor vehicle record retention, failure to retain the accounting and reconciliation documentation required by subsection (5)(C) of this rule, or failure to provide

accurate motor vehicle fleet information to the department as required. The department shall notify the applicant or licensee in writing at their last known address of the reasons for the refusal to issue or renew the license and shall advise the applicant or licensee of their right to file an appeal with the administrative hearing commission as provided in Chapter 621, RSMo. All license plate inventory must be returned to the department of Revenue within thirty (30) days of written notice of refusal to issue or renew the license, or within thirty (30) days of the administrative hearing commission decision if an appeal is filed. Failure to do so may result in action against the bond filed by the licensee in the amount equivalent to the cost per license plate issued that has not been surrendered.

AUTHORITY: section 301.032, RSMo, TAFP CCS SB 368 enacted by the 101st General Assembly, 2019.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate, as any costs associated with the proposed rule are not a product of the rule itself but incident to the statutory changes included in TAFP CCS SB 368 (2019).

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate, as any costs associated with the proposed rule are not a product of the rule itself but incident to the statutory changes included in TAFP CCS SB 368 (2019).

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Revenue, General Counsel's Office, PO Box 475, Jefferson City, MO 65105-0475. To be considered comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*