

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF ADMINISTRATION**

**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**

*June 2007*

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF ADMINISTRATION

RULES AND REGULATIONS FOR  
THE STRUCTURE AND USE OF SURCHARGES  
FOR DIVISION OF MOTOR VEHICLES TRANSACTIONS  
PURSUANT TO P.L. 2006, CHAPTER 246, ARTICLE 7

**INTRODUCTION**

These Rules and Regulations are promulgated under the authority of a resolution contained in Public Law 2006, Chapter 246, Article 7, Relating to Debt Management Act Joint Resolutions, Section 4 and in accordance with R.I.G.L. Chapter 42-35, of the Rhode Island General Laws of 1956, as amended, and are established 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 provisions of section 42-35-3(c) of the General Laws of Rhode Island, as amended, consideration was given to: (1) alternative approaches to the regulations; and (2) duplication or overlap with other state regulations. No alternative approach, overlap or duplication nor any significant economic impact was identified; consequently these Regulations are adopted in the best interest of the health, safety and welfare of the public.

The within Rules and Regulations were adopted by me as Director of the Department of Administration on the \_\_\_\_\_ day of June, 2007.

---

Beverly E. Najarian, Director  
Department of Administration

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF ADMINISTRATION

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").

**SECTION 2. AUTHORITY**

These rules and regulations are promulgated pursuant to a resolution contained in Article 7 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) years and that all revenues from that surcharge be used exclusively for the payment of the principal, interest and issuance 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	Permit	Cycle Permit
Duplicate Permit	First License	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 registration 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 pounds	Public Plated under 8500 pounds	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.

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 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 these 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**

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

The foregoing "RULES AND REGULATIONS GOVERNING THE STRUCTURE AND USE OF SURCHARGES ON DIVISION OF MOTOR VEHICLES TRANSACTIONS", after due notice, are hereby adopted and filed with the Secretary of State this \_\_\_\_\_ day of June, 2007 to become effective twenty (20) days thereafter.

---

Beverly E. Najarian, Director  
Department of Administration

Notice Given on: May 4, 2007  
Public Hearing held: June 7, 2007  
Filing Date: June 12, 2007