Second Regular Session Sixty-eighth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 12-0150.01 Jery Payne

HOUSE BILL 12-1038

HOUSE SPONSORSHIP

Looper, Barker, Brown, Priola, Ramirez, Scott, Williams A.

SENATE SPONSORSHIP

Williams S.,

House Committees

Senate Committees

Transportation Appropriations

A BILL FOR AN ACT

101	CONCERNING THE CREATION OF A MULTI-YEAR REGISTRATION FOR
102	CLASS A TRAILERS, AND, IN CONNECTION THEREWITH, MAKING
103	AN APPROPRIATION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

Transportation Legislation Review Committee. Section 1 of the bill makes a legislative declaration. Section 2 creates an alternate registration for interstate, commercial trailers and semitrailers if the owner is based in a jurisdiction other than Colorado or, if the owner is

based in Colorado, the trailer or semitrailer is at least 10 years old. The registration does not expire until the trailer is sold or transferred. The owner notifies the department when the trailer is sold or transferred. The department will issue a report in 2014, including the cost-effectiveness of this system of registration.

Section 3 sets the specific ownership tax at \$95.50. **Section 4** sets the registration fee at \$24.50. Of the fee, the department or authorized agent that registers the vehicle retains \$2.00, the county gets \$1.50 for the county road and bridge fund, the statewide bridge enterprise special revenue fund is credited with \$5.00, the Colorado state titling and registration account is credited with \$0.50, the license plate cash fund is credited with \$2.50, and the highway users tax fund is credited with \$13.00.

Be it enacted by the General Assembly of the State of Colorado:

assembly hereby determines that the restoration of Colorado's economy is one of the most critical tasks it must consider. To that end, Colorado needs to remain competitive with the western United States and the nation. An emerging issue dealing with the registration of commercial vehicles in Colorado threatens the state's competitiveness. Under current law and regulations, interstate commercial trailers can be licensed in any state regardless of whether the owner resides in that state. Twenty-six states have created some version of a permanent commercial trailer plate for commercial trailers.

(b) Permanent commercial trailer plates offer several advantages to the enacting state and to trailer owners. States enjoy the reduction in workload as a permanent plate does not need to be processed yearly and most states collect higher revenues with the initial registration because of the projected term of use. The transportation industry benefits as they do not have to locate their trailers across the nation each year to replace the registration on that trailer and they can shop for the best possible pricing

-2- 1038

1	in the many states that offer these permanent plate options. In Colorado,
2	the cost of commercial trailer registration is significantly higher than
3	other states.
4	(2) The general assembly finds that there has been a decrease in
5	both interstate truck and trailer registrations in Colorado over the past five
6	years. The Colorado transportation industry reports a significant reduction
7	not only in registrations and sales of commercial vehicles and trailers but
8	the loss of thousands of jobs as well. The general assembly therefore
9	seeks to create a competitive process for the registration of interstate
10	commercial trailers in Colorado to accomplish two major goals by making
11	the state competitive with other states:
12	(a) First, to generate new revenue for Colorado by drawing, to
13	Colorado, registrations from other states with a permanent trailer
14	registration option; and
15	(b) Second, to reduce the number of currently registered interstate
16	commercial trailers that leave Colorado for another state by creating a
17	permanent registration for Colorado.
18	(3) The general assembly finds that this legislation begins to
19	address major policy issues dealing with the transportation industry in
20	Colorado and helps to take a small step towards making Colorado
21	competitive in the interstate transportation industry. This legislation
22	honors the reality of our current budget situation in Colorado while
23	moving into program options that both generate new revenue for
24	Colorado and help to retain current revenue from the trailer registrations.
25	SECTION 2. In Colorado Revised Statutes, 42-3-102, add (4) as
26	follows:
27	42-3-102. Periodic registration. (4) (a) (I) IN LIEU OF

-3-

1	REGISTERING UNDER SUBSECTIONS (1) TO (3) OF THIS SECTION, AN
2	APPLICANT MAY REGISTER A COMMERCIAL TRAILER OR SEMITRAILER
3	UNDER THIS PARAGRAPH (a) IF:
4	(A) THE TRAILER OR SEMITRAILER QUALIFIES AS CLASS A
5	PERSONAL PROPERTY;
6	(B) THE OWNER IS BASED OUTSIDE COLORADO IN ACCORDANCE
7	WITH THE INTERNATIONAL REGISTRATION PLAN; AND
8	(C) THE OWNER COMPLIES WITH THIS SECTION AND SECTIONS
9	42-3-107 (28) AND 42-3-313.
10	$(II)\ A \text{TRAILER} \text{OR} \text{SEMITRAILER} \text{REGISTRATION} \text{ISSUED} \text{UNDER} \text{THIS}$
11	SUBSECTION (4) DOES NOT EXPIRE EXCEPT WHEN THE VEHICLE CHANGES
12	OWNERSHIP IN ACCORDANCE WITH THIS ARTICLE. THE REGISTRATION
13	EXPIRES UPON THE SALE OR TRANSFER OF THE TRAILER OR SEMITRAILER.
14	(III) THE DEPARTMENT SHALL ISSUE A LICENSE PLATE TO A
15	TRAILER OR SEMITRAILER REGISTERED UNDER THIS PARAGRAPH (a), BUT
16	A VALIDATING STICKER OR TAB IS NOT ISSUED NOR REQUIRED FOR THE
17	LICENSE PLATE.
18	(b) (I) In Lieu of registering under subsections (1) to (3) of
19	THIS SECTION, AN APPLICANT MAY REGISTER A COMMERCIAL TRAILER OR
20	SEMITRAILER UNDER THIS PARAGRAPH (b) IF:
21	(A) THE TRAILER OR SEMITRAILER QUALIFIES AS CLASS A
22	PERSONAL PROPERTY;
23	(B) THE OWNER IS BASED IN COLORADO IN ACCORDANCE WITH THE
24	INTERNATIONAL REGISTRATION PLAN;
25	(C) THE TRAILER OR SEMITRAILER IS IN AT LEAST ITS TENTH YEAR
26	OF SERVICE; AND
27	(D) THE OWNER COMPLIES WITH THIS SECTION AND SECTIONS

-4- 1038

1	42-3-107 (28) AND 42-3-313.
2	(II) A TRAILER OR SEMITRAILER REGISTRATION ISSUED UNDER THIS
3	PARAGRAPH (b) DOES NOT EXPIRE EXCEPT WHEN THE VEHICLE CHANGES
4	OWNERSHIP IN ACCORDANCE WITH THIS ARTICLE. THE REGISTRATION
5	EXPIRES UPON THE SALE OR TRANSFER OF THE TRAILER OR SEMITRAILER.
6	(III) THE DEPARTMENT SHALL ISSUE A LICENSE PLATE TO A
7	TRAILER OR SEMITRAILER REGISTERED UNDER THIS PARAGRAPH (b), BUT
8	A VALIDATING STICKER OR TAB IS NOT ISSUED NOR REQUIRED FOR THE
9	LICENSE PLATE.
10	(c) UPON THE SALE OR TRANSFER OF OWNERSHIP OF A TRAILER OR
11	SEMITRAILER REGISTERED UNDER THIS SECTION, THE OWNER SHALL
12	NOTIFY THE DEPARTMENT OF THE SALE OR TRANSFER. UPON REGISTERING
13	A TRAILER OR SEMITRAILER UNDER THIS SECTION, THE DEPARTMENT SHALL
14	NOTIFY THE OWNER OF THIS PROVISION. THE DEPARTMENT SHALL ALSO
15	NOTIFY THE PUBLIC OF THE REQUIREMENTS OF THIS SECTION ON ITS WEB
16	PAGE.
17	(d) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE OR
18	ARTICLE 6 OF THIS TITLE, A PERSON MAY REGISTER A TRAILER OR
19	SEMITRAILER UNDER THIS SUBSECTION (4) WITH A VALID CERTIFICATE OF

TITLE FROM ANOTHER JURISDICTION OF THE UNITED STATES WITHOUT FILING FOR A CERTIFICATE OF TITLE IN COLORADO.

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22 THE DEPARTMENT SHALL ISSUE A REPORT TO THE 23 TRANSPORTATION LEGISLATION REVIEW COMMITTEE CREATED IN SECTION 24 43-2-145, C.R.S., BY JULY 1, 2014, DETAILING THE NUMBER OF TRAILERS 25 AND SEMITRAILERS REGISTERED UNDER PARAGRAPHS (a) AND (b) OF THIS 26 SUBSECTION (4) AND MAKING RECOMMENDATIONS AS TO THE 27 COST-EFFECTIVENESS OF THE PERMANENT REGISTRATION.

> 1038 -5-

1	SECTION 3. In Colorado Revised Statutes, 42-3-107, add (28)
2	as follows:
3	42-3-107. Taxable value of classes of property - rate of tax -
4	when and where payable - department duties - apportionment of tax $% \left(\frac{1}{2}\right) =\frac{1}{2}\left(\frac{1}{2}\right) =\frac{1}{2}\left($
5	$\textbf{collections-definitions.} \ (28) \ \text{The prepaid annual specific ownership}$
6	TAX FOR A REGISTRATION ISSUED UNDER SECTION 42-3-102 (4) IS
7	NINETY-FIVE DOLLARS AND FIFTY CENTS.
8	SECTION 4. In Colorado Revised Statutes, 42-3-113, add (11)
9	as follows:
10	42-3-113. Records of application and registration. (11) THE
11	DEPARTMENT SHALL NOT PLACE AN EXPIRATION DATE ON THE
12	REGISTRATION CARD FOR A CLASS A COMMERCIAL TRAILER OR
13	SEMITRAILER REGISTERED IN COLORADO.
14	SECTION 5. In Colorado Revised Statutes, 42-3-201, amend (2);
15	and add (7) as follows:
16	42-3-201. Number plates furnished - style - periodic reissuance
17	- tabs - rules. (2) EXCEPT AS PROVIDED IN SUBSECTION (7) OF THIS
18	SECTION, THE OWNER SHALL DISPLAY ON every number plate shall have
19	displayed upon it the registration number assigned to the vehicle and
20	owner, the year number for which it is issued, the month in which it
21	expires, and any other appropriate symbol, word, or words designated by
22	the department. The department may adopt rules for the issuance of
23	permanent number plates that do not display the year number for which
24	it is issued or the month in which it expires. Such plate and the required
25	letters and numerals, except the year number for which issued, shall MUST
26	be of sufficient size to be plainly readable from a distance of one hundred
27	feet during daylight.

-6- 1038

1	(7) Notwithstanding subsections (1) and (2) of this section,
2	THE DEPARTMENT SHALL ISSUE LICENSE PLATES TO A CLASS A
3	COMMERCIAL TRAILER OR SEMITRAILER REGISTERED IN COLORADO THAT
4	DO NOT CONTAIN THE MONTH AND YEAR THE TRAILER EXPIRES, AND A
5	VALIDATING STICKER OR TAB IS NOT ISSUED NOR REQUIRED FOR THE
6	LICENSE PLATES.
7	SECTION 6. In Colorado Revised Statutes, add 42-3-313 as
8	follows:
9	42-3-313. Fee for long-term or permanent registration -
10	trailers and semitrailers. (1) IN LIEU OF ANY OTHER FEE IMPOSED FOR
11	REGISTRATION, THE FEE FOR REGISTRATION ISSUED UNDER SECTION
12	42-3-102 (4) IS TWENTY-FOUR DOLLARS AND FIFTY CENTS.
13	(2) (a) The department or authorized agent who
14	REGISTERED THE COMMERCIAL TRAILER OR SEMITRAILER MAY RETAIN TWO
15	DOLLARS OF THE REGISTRATION FEE.
16	(b) THE DEPARTMENT OR AUTHORIZED AGENT SHALL RETAIN ONE
17	DOLLAR AND FIFTY CENTS OF THE FEE, WHICH THE DEPARTMENT SHALL
18	TRANSFER TO THE COUNTY, IF APPLICABLE, AND THE COUNTY SHALL
19	ALLOCATE TO THE COUNTY ROAD AND BRIDGE FUND.
20	(c) THE DEPARTMENT SHALL TRANSFER THE REMAINDER OF THE
21	FEE TO THE STATE TREASURER, WHO SHALL CREDIT THE FOLLOWING
22	AMOUNTS TO THE FOLLOWING FUNDS:
23	(I) FIFTY CENTS TO THE COLORADO STATE TITLING AND
24	REGISTRATION ACCOUNT CREATED IN SECTION 42-1-211 (2) WITHIN THE
25	HIGHWAY USERS TAX FUND;
26	(II) TWO DOLLARS AND FIFTY CENTS TO THE LICENSE PLATE CASH
27	FUND CREATED IN SECTION 42-3-301 (1) (b);

-7- 1038

1	(III) FIVE DOLLARS TO THE STATEWIDE BRIDGE ENTERPRISE
2	SPECIAL REVENUE FUND CREATED IN SECTION 43-4-805 (3) (a), C.R.S.;
3	AND
4	(IV) THE REMAINDER OF THE FEE TO THE HIGHWAY USERS TAX
5	FUND.
6	SECTION 7. Appropriation. (1) In addition to any other
7	appropriation, there is hereby appropriated, out of any moneys in the
8	Colorado state titling and registration account in the highway users tax
9	fund created in section 42-1-211 (2), Colorado Revised Statutes, not
10	otherwise appropriated, to the department of revenue, for the fiscal year
11	beginning July 1, 2011, the sum of \$118,000, or so much thereof as may
12	be necessary, to be allocated to the information technology division for
13	the purchase of computer center services.
14	(2) In addition to any other appropriation, there is hereby
15	appropriated to the governor - lieutenant governor - state planning and
16	budgeting, for the fiscal year beginning July 1, 2011, the sum of
17	\$118,000, or so much thereof as may be necessary, for allocation to the
18	office of information technology, for the provision of computer center
19	services for the department of revenue related to the implementation of
20	this act. Said sum is from reappropriated funds received from the
21	department of revenue out of the appropriation made in subsection (1) of
22	this section.
23	SECTION 8. Appropriation. (1) In addition to any other
24	appropriation, there is hereby appropriated, out of any moneys in the
25	Colorado state titling and registration account in the highway users tax
26	fund created in section 42-1-211 (2), Colorado Revised Statutes, not
27	otherwise appropriated to the department of revenue, for the fiscal year

-8-

beginning July 1, 2011, the sum of \$118,000, or so much thereof as may be necessary, to be allocated to the information technology division for the purchase of computer center services.

- (2) In addition to any other appropriation, there is hereby appropriated to the governor lieutenant governor state planning and budgeting, for the fiscal year beginning July 1, 2011, the sum of \$118,000, or so much thereof as may be necessary, for allocation to the office of information technology, for the provision of computer center services for the department of revenue related to the implementation of this act. Said sum is from reappropriated funds received from the department of revenue out of the appropriation made in subsection (1) of this section.
- **SECTION 9. Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado state titling and registration account in the highway users tax fund created in section 42-1-211 (2), Colorado Revised Statutes, not otherwise appropriated, to the department of revenue, for the fiscal year beginning July 1, 2012, the sum of \$45,147 and 0.3 FTE, or so much thereof as may be necessary, to be allocated for the implementation of this act as follows:
- (a) \$13,157 and 0.3 FTE to the division of motor vehicles, driver and vehicle services;
 - (b) \$32,000 to the information technology division for the purchase of computer center services.
 - (2) In addition to any other appropriation, there is hereby appropriated to the governor lieutenant governor state planning and budgeting, for the fiscal year beginning July 1, 2012, the sum of \$32,000,

-9- 1038

1 or so much thereof as may be necessary, for allocation to the office of 2 information technology, for the provision of computer center services for 3 the department of revenue related to the implementation of this act. Said 4 sum is from reappropriated funds received from the department of 5 revenue out of the appropriation made in of subsection (1) of this section. **SECTION 10.** Appropriation. (1) In addition to any other 6 7 appropriation, there is hereby appropriated, out of any moneys in the 8 Colorado state titling and registration account in the highway users tax 9 fund created in section 42-1-211 (2), Colorado Revised Statutes, not 10 otherwise appropriated, to the department of revenue, for the fiscal year 11 beginning July 1, 2012, the sum of \$32,000, or so much thereof as may 12 be necessary, to be allocated to the information technology division for 13 the purchase of computer center services for the implementation of this 14 act. 15 (2) In addition to any other appropriation, there is hereby appropriated to the governor - lieutenant governor - state planning and 16 17 budgeting, for the fiscal year beginning July 1, 2012, the sum of \$32,000, 18 or so much thereof as may be necessary, for allocation to the office of 19 information technology, for the provision of computer center services for 20 the department of revenue related to the implementation of this act. Said 21 sum is from reappropriated funds received from the department of 22 revenue out of the appropriation made in of subsection (1) of this section. 23 **SECTION 11. Applicability.** This act shall apply to registrations 24 issued, and to applications made, on or after August 1, 2012. 25 **SECTION 12. Safety clause.** The general assembly hereby finds, 26 determines, and declares that this act is necessary for the immediate 27 preservation of the public peace, health, and safety.

-10-