

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

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

Transportation
Appropriations

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Am ended 2nd Reading
May 8, 2012

HOUSE
3rd Reading Unam ended
April 24, 2012

HOUSE
Am ended 2nd Reading
April 23, 2012

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.

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

2 **SECTION 1. Legislative declaration.** (1) (a) The general
3 assembly hereby determines that the restoration of Colorado's economy
4 is one of the most critical tasks it must consider. To that end, Colorado
5 needs to remain competitive with the western United States and the
6 nation. An emerging issue dealing with the registration of commercial
7 vehicles in Colorado threatens the state's competitiveness. Under current
8 law and regulations, interstate commercial trailers can be licensed in any
9 state regardless of whether the owner resides in that state. Twenty-six
10 states have created some version of a permanent commercial trailer plate
11 for commercial trailers.

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

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

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 TRAILER OR SEMITRAILER REGISTRATION ISSUED UNDER 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

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

22 (e) 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.

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**
5 **collections - definitions.** (28) 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.

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);

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 of 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

1 beginning July 1, 2012, the sum of \$45,147 and 0.3 FTE, or so much
2 thereof as may be necessary, to be allocated for the implementation of this
3 act as follows:

4 (a) \$13,147 and 0.3 FTE for the processing of vehicle
5 registrations; and

6 (b) \$32,000 for the purchase of computer center services.

7 (2) In addition to any other appropriation, there is hereby
8 appropriated to the governor - lieutenant governor - state planning and
9 budgeting, for the fiscal year beginning July 1, 2012, the sum of \$32,000,
10 or so much thereof as may be necessary, for allocation to the office of
11 information technology, for the provision of computer center services for
12 the department of revenue related to the implementation of this act. Said
13 sum is from reappropriated funds received from the department of
14 revenue out of the appropriation made in paragraph (b) of subsection (1)
15 of this section.

16 **SECTION 9. Applicability.** This act shall apply to registrations
17 issued, and to applications made, on or after August 1, 2012.

18 **SECTION 10. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.