Senate Study Bill 3120 - Introduced

SENATE/HOUSE FILE

BY (PROPOSED DEPARTMENT OF TRANSPORTATION BILL)

A BILL FOR

An Act relating to the registration of motor trucks, truck
 tractors, trailers, and semitrailers and providing for
 apportioned registration of commercial motor vehicles
 under the international registration plan, and including
 implementation provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.1, subsection 60, Code Supplement 2 2011, is amended to read as follows:

60. "Registration year" means the period of twelve 3 4 consecutive months beginning on the first day of the month 5 following the month of the birth of the owner of the vehicle 6 for vehicles registered by the county treasurer and the 7 calendar year for vehicles registered by the department 8 or motor trucks and truck tractors with a combined gross 9 weight exceeding five tons which are registered by the county 10 treasurer. For leased vehicles registered by the county 11 treasurer, except for motor trucks and truck tractors with a 12 combined gross weight exceeding five tons, "registration year" 13 means the period of twelve consecutive months beginning on 14 the first day of the month following the month in which the 15 lease expires. For vehicles registered under chapter 326, 16 "registration year" means the twelve-month period determined by 17 the department pursuant to section 326.14. Sec. 2. Section 321.20, subsection 1, unnumbered paragraph 18 19 1, Code 2011, is amended to read as follows: 20 Except as provided in this chapter, an owner of a vehicle 21 subject to registration shall make application to the county 22 treasurer of the county of the owner's residence, or if a 23 nonresident, to the county treasurer of the county where the 24 primary users of the vehicle are located, or if a lessor of 25 the vehicle pursuant to chapter 321F which vehicle has a 26 gross vehicle weight of less than ten thousand pounds, to the 27 county treasurer of the county of the lessee's residence, 28 or if a firm, association, or corporation with vehicles in 29 multiple counties, the owner may make application to the county 30 treasurer of the county where the primary user of the vehicle 31 is located, for the registration and issuance of a certificate 32 of title for the vehicle upon the appropriate form furnished 33 by the department. However, upon the transfer of ownership, 34 the owner of a vehicle subject to the proportional apportioned 35 registration provisions of chapter 326 shall make application

-1-

1 for registration and issuance of a certificate of title to 2 either the department or the appropriate county treasurer. The 3 application shall be accompanied by a fee of twenty dollars, 4 and shall bear the owner's signature. A nonresident owner 5 of two or more vehicles subject to registration may make 6 application for registration and issuance of a certificate 7 of title for all vehicles subject to registration to the 8 county treasurer of the county where the primary user of any 9 of the vehicles is located. The owner of a mobile home or 10 manufactured home shall make application for a certificate 11 of title under this section from the county treasurer of the 12 county where the mobile home or manufactured home is located. 13 The application shall contain:

14 Sec. 3. Section 321.20A, Code 2011, is amended to read as 15 follows:

16 321.20A Certificate of title and registration fees — 17 commercial vehicles.

Notwithstanding other provisions of this chapter, the
 owner of a commercial vehicle subject to the proportional
 apportioned registration provisions of chapter 326 may make
 application to the department or the appropriate county
 treasurer for a certificate of title. The application for
 certificate of title shall be made within thirty days of
 purchase or transfer and shall be accompanied by a twenty
 dollar title fee and the appropriate fee for new registration.
 The department or the county treasurer shall deliver the
 certificate of title to the owner if there is no security
 interest. If there is a security interest, the title,
 when issued, shall be delivered to the first secured party.
 Delivery may be made using electronic means.

31 2. An owner of more than fifty commercial vehicles subject 32 to the proportional <u>apportioned</u> registration provisions of 33 chapter 326 who is issued a certificate of title under this 34 section shall not be subject to annual registration fees until 35 the commercial vehicle is driven or moved upon the highways.

-2-

LSB 5313DP (14) 84 dea/nh

The annual registration fee due shall be prorated for the
 remaining unexpired months of the registration year. Ownership
 of the commercial vehicle shall not be transferred until annual
 registration fees have been paid to the department.

5 Sec. 4. Section 321.34, subsection 4, Code Supplement 2011, 6 is amended to read as follows:

4. Multiyear Permanent plates. In lieu of issuing annual registration plates for trailers, semitrailers, motor trucks, and truck tractors, the department may issue a multiyear registration plate for a three-year period or a permanent registration plate for trailers, and semitrailers, licensed under chapter 326, and a permanent registration plate for motor trucks, and truck tractors licensed under chapter 326, upon payment of the appropriate registration fee. Payment for fees for trailers and semitrailers for a permanent registration plate shall, at the option of the registrant, be made at five-year intervals or on an annual basis. Fees from three-year and five-year payments shall not be reduced or prorated. Payment of fees for motor trucks and truck tractors shall be made on an annual basis.

21 Sec. 5. Section 321.39, subsections 1 and 3, Code 2011, are 22 amended by striking the subsections.

23 Sec. 6. Section 321.40, subsection 1, Code 2011, is amended 24 to read as follows:

1. Application for renewal of <u>for</u> a vehicle registration registered under this chapter shall be made on or after the first day of the month prior to the month of expiration of registration and up to and including the last day of the month following the month of expiration of registration. The registration shall be renewed upon payment of the appropriate annual registration fee. Application for renewal for a vehicle registered under chapter 326 shall be made on or after the first day of <u>the month prior to</u> the month of expiration of registration and up to and including the last day of the month following the month of expiration of registration.

-3-

1 Sec. 7. Section 321.46A, Code 2011, is amended to read as
2 follows:

3 321.46A Change from proportional apportioned registration — 4 credit.

5 An owner changing a vehicle's registration from proportional 6 <u>apportioned</u> registration under chapter 326 to registration 7 under this chapter shall be entitled to a credit on the 8 vehicle's annual registration fees under this chapter. The 9 credit shall may be allowed when the owner surrenders to the 10 county treasurer proof of proportional <u>apportioned</u> registration 11 provided by the department. The amount of the credit shall 12 be calculated based on the unexpired complete calendar 13 months remaining in the registration year from the date the 14 application is filed with the county treasurer.

15 Sec. 8. Section 321.105, subsection 4, Code 2011, is amended 16 to read as follows:

17 4. In addition to the payment of an annual registration 18 fee for each trailer and semitrailer to be issued an annual 19 <u>a</u> registration plate <u>under chapter 326</u>, an additional 20 registration fee may be paid for a period of two or four 21 subsequent registration years.

22 Sec. 9. Section 321.106, subsections 1 and 3, Code 2011, are 23 amended to read as follows:

1. When a vehicle is registered under chapter 326 or a motor truck, truck tractor, or road tractor is registered for a combined gross weight exceeding five tons and there is no delinquency and the registration is made in February or succeeding months through November the second through eleventh month of the registration year, the annual registration fee shall be prorated for the remaining unexpired months of the registration year. A fee shall not be required for the month of December for a vehicle registered on a calendar year basis on which there is no delinquency. However, except for a vehicle registered under chapter 326, when such a vehicle is registration in November the eleventh month of the registration

LSB 5313DP (14) 84

dea/nh

-4-

1 year, the vehicle may be registered for the remaining unexpired 2 months of the registration year or for the remaining unexpired 3 months of the registration year and for the next registration 4 year, upon payment of the applicable registration fees. 5 3. If a fee computed under this section contains a 6 fractional part of a dollar, the fee shall be computed to the 7 nearest whole dollar. A fee computed under this section shall 8 not be less than five dollars. The fee so computed shall be 9 deemed to be the annual registration fee for the remainder 10 of the registration year. This subsection does not apply to

11 vehicles registered under chapter 326.

12 Sec. 10. Section 321.126, subsection 1, paragraphs d and e, 13 Code 2011, are amended to read as follows:

14 d. If the vehicle is registered by the county treasurer 15 during the current registration year and the owner or lessee 16 registers the vehicle for proportional apportioned registration 17 under chapter 326, the owner of the registered vehicle shall 18 surrender the registration plates to the county treasurer and 19 may file a claim for refund. In lieu of a refund, a credit 20 for the annual registration fees paid to the county treasurer 21 may be applied by the department to the owner or lessee's 22 proportional apportioned registration fees upon the surrender 23 of the county plates and registration.

e. A refund for trailers and semitrailers issued a multiyear
<u>permanent</u> registration plate <u>pursuant to chapter 326</u> shall be
paid by the department upon application.

27 Sec. 11. Section 321.126, subsection 2, Code 2011, is 28 amended to read as follows:

29 2. Notwithstanding any provision of this section to the 30 contrary, there shall be no refund of proportional apportioned 31 registration fees unless the state which issued the base plate 32 for the vehicle allows such refund. If an owner subject to 33 proportional apportioned registration leases the vehicle 34 for which the refund is sought, the claim shall be filed in 35 the names of both the lessee and the lessor and the refund

-5-

LSB 5313DP (14) 84 dea/nh

1 payment made payable to both the lessor and the lessee. The 2 term ``owner" for purposes of this section shall include a 3 person in whom is vested right of possession or control of a 4 vehicle which is subject to a lease, contract, or other legal 5 arrangement vesting right of possession or control in addition 6 to the term as defined in section 321.1, subsection 49.

7 Sec. 12. Section 321.127, subsections 3 and 4, Code 2011, 8 are amended to read as follows:

9 3. For trailers or semitrailers issued a multiyear 10 permanent registration plate, a refund shall be paid equal to 11 the annual fee for twelve months times the remaining number of 12 complete registration years.

13 4. Refunds for vehicles registered for proportional 14 <u>apportioned</u> registration under chapter 326 shall be paid on the 15 basis of unexpired complete calendar months remaining in the 16 registration year from the date the claim for refund_{τ} and the 17 license plate_{τ} and registration receipt are received by the 18 department.

19 Sec. 13. Section 321.134, Code 2011, is amended to read as 20 follows:

21 321.134 Monthly penalty.

1. On the first day of the second month following the beginning of each registration year a penalty of five percent five percent registration fees not paid by that date and an additional penalty of five percent shall be added the first day of each receding month, until the fee is paid. A penalty shall not be less than five dollars. If the owner of a vehicle surrenders the registration plates for a vehicle prior to the plates becoming delinquent, to the county treasurer of the county where the vehicle is registered, or to the department if the vehicle is registered under chapter 326, the owner may register the vehicle any time thereafter upon payment of the annual registration fee for the registration year without penalty. The penalty on vehicles registered under chapter 326

-6-

LSB 5313DP (14) 84 dea/nh

1 shall accrue February 1 of each year. To avoid a penalty or 2 an additional penalty in the case of a delinquent registration 3 through a county treasurer, if the last calendar day of a month 4 falls on Saturday, Sunday, or a holiday, the payment deadline 5 is extended to include the first business day of the following 6 month. For payments made through a county treasurer's 7 authorized website only, if the last day of the month falls 8 on a Saturday, Sunday, or a holiday, the electronic payment 9 must be initiated by midnight on the first business day of the 10 next month. All other electronic payments must be initiated by 11 midnight on the last day of the month preceding the delinquent 12 date.

13 2. The annual registration fee for trucks, truck tractors, 14 and road tractors, as provided in sections 321.121 and 321.122, 15 may be payable in two equal semiannual installments if the 16 annual registration fee exceeds the annual registration fee 17 for a vehicle with a gross weight exceeding five tons. The 18 penalties provided in subsection 1 shall be computed on the 19 amount of the first installment only and on the first day 20 of the seventh month of the registration period the same 21 rate of penalty shall apply to the second installment, until 22 the fee is paid. Semiannual installments do not apply to 23 commercial vehicles, as defined under section 326.2, subject 24 to proportional registration, with a base state other than 25 the state of Iowa, as defined in section 326.2, subsection 1. 26 The penalty on vehicles registered under chapter 326 accrues 27 August 1 of each year except as provided in section 326.6. The 28 department shall not allow the annual registration fee for a 29 commercial vehicle registered under chapter 326 to be paid in 30 two equal semiannual installments for five years after the 31 registrant has paid the annual registration fee late for two 32 consecutive years. 33 3. 2. If a penalty applies to an annual vehicle

34 registration fee provided for in sections 321.121 and 321.122, 35 the same penalty shall be assessed on the fees collected to

-7-

LSB 5313DP (14) 84 dea/nh

1 increase the registered gross weight of the vehicle, if the 2 increased gross weight is requested within forty-five days from 3 the date the delinquent vehicle is registered for the current 4 registration period.

4. <u>3.</u> Notwithstanding subsections 1 through 3 and 2,
if a vehicle registration is delinquent for twenty-four
months or more, a flat penalty and fee shall be assessed
for the delinquent period in addition to the current annual
registration fee. The flat penalty and fee shall be one
hundred fifty percent of the current annual registration fee.
<u>5.</u> <u>4.</u> The department shall waive the penalties imposed by
this section for an owner who is in the military service of
the United States and who has been relocated as a result of
being placed on active duty on or after September 11, 2001.
The department shall adopt rules to implement this subsection,
including, if necessary, procedures for refunding penalties

17 collected prior to March 29, 2004.

18 Sec. 14. Section 321.466, subsection 1, Code 2011, is 19 amended by striking the subsection.

20 Sec. 15. Section 321.466, subsections 2 and 6, Code 2011, 21 are amended to read as follows:

22 2. During or after the seventh month of a current 23 registration year, the <u>The</u> owner of a motor truck, truck 24 tractor, <u>or</u> road tractor, <u>semitrailer or trailer may</u>, if 25 the owner's operation has not resulted in a conviction or 26 action pending under this section, <u>may</u> increase the gross 27 weight <u>registration</u> of the vehicle to a higher gross weight 28 classification <u>registration</u> by payment of one-twelfth of the 29 difference between the annual fee for the higher gross weight 30 and the amount of the fee for the gross weight at which it <u>the</u> 31 <u>vehicle</u> is registered, multiplied by the number of unexpired 32 months of the registration year.

33 6. For the purposes of this section cracked or ground
34 soybeans, sargo sorgo, corn, wheat, rye, oats, or other grain
35 shall be deemed to be raw farm products, provided that such

-8-

1 products are being directly delivered to a farm, from the 2 place where the whole grain had been delivered from a farm for 3 the purpose of cracking or grinding and immediate delivery to 4 the farm to which such cracked or ground products are being 5 delivered.

6 Sec. 16. Section 321F.8, Code 2011, is amended to read as 7 follows:

8 321F.8 Registration of vehicle required.

9 All motor vehicles which are primarily garaged or located 10 in this state and which are the subject of a lease shall 11 be registered in this state. This section shall not be 12 construed to exempt any motor vehicle from registration which 13 is otherwise subject to registration under the provisions of 14 chapter 321, provided, however, that the provisions of this 15 section shall not apply to motor vehicles in fleets whose 16 registrations are apportioned under the provisions of section 17 326.2 chapter 326.

18 Sec. 17. Section 326.1, Code 2011, is amended to read as
19 follows:

20 326.1 Policy.

It is the policy of this state to promote and encourage the fullest possible use of its the state's highway system y authorizing the negotiation and execution of motor vehicle reciprocal or proportional registration agreements, arrangements and declarations with other jurisdictions reciprocity agreements. Apportioned registration shall be conducted in accordance with the international registration plan with respect to vehicles registered in this and such other jurisdictions, thus contributing to the economic and social development and growth of this state.

31 Sec. 18. Section 326.2, Code 2011, is amended by striking 32 the section and inserting in lieu thereof the following: 33 326.2 Definitions.

-9-

34 As used in this chapter, unless the context otherwise 35 requires:

1. "Commercial vehicle" means any vehicle which is operated
 2 in interstate commerce or combined intrastate and interstate
 3 commerce and used for the transportation of persons for hire,
 4 compensation or profit, or designed or used primarily for the
 5 transportation of property.

6 2. "Department" means the department of transportation.
7 3. "Director" means the director of transportation or the
8 director's designee.

9 4. "International registration plan" or "plan" means 10 the registration reciprocity agreement among states of the 11 United States, the District of Columbia, and provinces of 12 Canada providing for payment of apportionable fees on the 13 basis of total distance operated in all jurisdictions, in 14 effect on January 1, 2011, or as later amended, published by 15 international registration plan, inc., and available on the 16 plan's internet site.

17 5. "Registration fee" means the annual motor vehicle 18 registration fee imposed pursuant to section 321.105, unless 19 otherwise specified.

20 6. "Trip" for purposes of section 326.23 means:

a. A one-way movement from one point originating outside
this state and destined to another point outside this state. *b.* A round-trip movement between two points within this
state.

25 c. A round-trip movement originating in this state or26 destined for a point within this state.

7. The terms "combination" or "combination of vehicles",
"gross weight", "highway", "motor vehicle", "nonresident",
"owner", "person", "semitrailer", "trailer", "truck tractor", and
"vehicle" mean as defined in section 321.1.

31 Sec. 19. <u>NEW SECTION</u>. **326.3 Additional definitions**. 32 As used in this chapter, unless the context otherwise 33 requires, the following terms have the following meaning, as 34 provided in the international registration plan, or the meaning 35 ascribed in the international registration plan as it may exist

-10-

LSB 5313DP (14) 84 dea/nh

1 at the time of its applicability to the provisions of this
2 chapter:

3 l. "Applicant" means a person in whose name an application
4 is filed for registration under the plan.

5 2. "Apportionable fee" means any periodic recurring fee or 6 tax required for registering vehicles, such as registration, 7 license, or weight fees.

8 3. *a.* "Apportionable vehicle" means any power unit that is 9 used or intended for use in two or more member jurisdictions 10 and that is used for the transportation of persons for hire or 11 designed, used, or maintained primarily for the transportation 12 of property if one of the following applies:

13 (1) The power unit has two axles and a gross vehicle weight 14 or registered gross vehicle weight in excess of twenty-six 15 thousand pounds.

16 (2) The power unit has three or more axles, regardless of 17 weight.

18 (3) The power unit is used in combination, when the gross 19 vehicle weight of such combination exceeds twenty-six thousand 20 pounds.

21 b. A recreational vehicle, a vehicle displaying restricted 22 plates, a bus used in the transportation of chartered parties, 23 or a government-owned vehicle is not an apportionable vehicle; 24 except that a truck or truck tractor, or the power unit in 25 a combination of vehicles having a gross vehicle weight of 26 twenty-six thousand pounds or less, or a bus used in the 27 transportation of chartered parties may be registered under the 28 plan at the option of the registrant.

29 4. "Apportioned vehicle" means an apportionable vehicle that30 has been registered under the plan.

31 5. "Audit" means the physical examination of a registrant's 32 operational records, including source documents, to verify 33 the distances reported in the registrant's application for 34 apportioned registration and the accuracy of the registrant's 35 record-keeping system for its fleet. Such an examination may

> LSB 5313DP (14) 84 dea/nh

11/29

-11-

S.F. H.F.

1 be of multiple fleets for multiple years.

6. "Audit procedures manual" or "APM" means the audit
3 procedures manual required to be maintained in the plan.
4 7. "Auxiliary axle" means an auxiliary undercarriage
5 assembly with a fifth wheel and tow bar used to convert a

6 semitrailer to a trailer.

8. "Axle" means an assembly of a vehicle consisting of two 8 or more wheels whose centers are in one horizontal plane, by 9 means of which a portion of the weight of a vehicle and its 10 load, if any, is continually transmitted to the roadway. For 11 purposes of registration under the plan, an "axle" is any such 12 assembly whether or not it is load-bearing only part of the 13 time.

9. "Base jurisdiction" means the member jurisdiction, selected in accordance with the plan, to which an applicant applies for apportioned registration under the plan or the member jurisdiction that issues apportioned registration to a registrant under the plan.

19 10. "Cab card" means an evidence of registration, other than 20 a plate, issued for an apportioned vehicle registered under 21 the plan by the base jurisdiction and carried in or on the 22 identified vehicle.

23 11. "Chartered party" means a group of persons who, pursuant 24 to a common purpose and under a single contract, have acquired 25 the exclusive use of a passenger-carrying motor vehicle to 26 travel together as a group to a specified destination or for a 27 particular itinerary, either agreed upon in advance or modified 28 by the group after leaving the place of origin. "Chartered 29 party" includes services rendered to a number of passengers that 30 a passenger carrier or its agent has assembled into a travel 31 group through sales of a ticket to each individual passenger 32 covering a round trip from one or more points of origin to a 33 single advertised destination.

34 12. "Credentials" means the cab card and plate issued in 35 accordance with the plan.

-12-

LSB 5313DP (14) 84 dea/nh

13. "Fleet" means one or more apportionable vehicles
 2 designated by a registrant for distance reporting under the
 3 plan.

4 14. "Jurisdiction" means a country or a state, province,
5 territory, possession, or federal district of a country.
6 15. "Lease" means a transaction evidenced by a written
7 document in which a lessor vests exclusive possession, control,
8 and responsibility for the operation of a vehicle in a lessee
9 for a specific term. A long-term lease is for a period of
10 thirty calendar days or more. A short-term lease is for a
11 period of less than thirty calendar days.

12 16. "Lessee" means a person that is authorized to have 13 exclusive possession and control of a vehicle owned by another 14 person under terms of a lease agreement.

15 17. "Lessor" means a person that, under the terms of a 16 lease agreement, authorizes another person to have exclusive 17 possession of, control of, and responsibility for the operation 18 of a vehicle.

19 18. "Member jurisdiction" means a jurisdiction that has 20 applied and has been approved for membership in the plan in 21 accordance with the plan.

19. "Operational records" means source documents that evidence distance traveled by a fleet in each member yurisdiction, such as furl reports, trip sheets, and driver logs, including those which may be generated through on-board devices and maintained electronically, as required by the audit procedures manual.

28 20. "*Plate"* means the license plate, including renewal
29 decals, if any, issued for a vehicle registered under the plan
30 by the base jurisdiction.

31 21. "Power unit" means a motor vehicle as distinguished from 32 a trailer, semitrailer, or auxiliary axle, but not including 33 an automobile or a motorcycle.

34 22. "Properly registered vehicle" means a vehicle which 35 has been registered in full compliance with the laws of all

-13-

LSB 5313DP (14) 84 dea/nh

1 jurisdictions in which it is intended to operate.

2 23. "Reciprocity" means the reciprocal grant by one 3 jurisdiction of operating rights or privileges in properly 4 registered vehicles registered by another jurisdiction, 5 especially but not exclusively including privileges generally 6 conferred by vehicle registration.

7 24. "Reciprocity agreement" means an agreement, arrangement, 8 or understanding between two or more jurisdictions under which 9 each of the participating jurisdictions grants reciprocal 10 rights or privileges to properly registered vehicles that are 11 registered under the laws of other participating jurisdictions. 12 25. "Recreational vehicle" means a vehicle used for personal 13 pleasure or personal travel and not in connection with any 14 commercial endeavor.

15 26. "Registrant" means a person in whose name a properly 16 registered vehicle is registered.

17 27. "Registration year" means the twelve-month period 18 during which, under the laws of the base jurisdiction, the 19 registration issued to a registrant by the base jurisdiction is 20 valid.

21 28. *Reporting period* means the period of twelve 22 consecutive months immediately prior to July 1 of the calendar 23 year immediately preceding the beginning of the registration 24 year for which apportioned registration is sought. However, 25 if the registration year begins on any date in July, August, 26 or September, the reporting period shall be the previous such 27 twelve-month period.

28 29. "Restricted plate" means a plate that has a time, 29 geographic area, distance, or commodity restriction or a mass 30 transit or other special plate issued for a bus leased or owned 31 by a municipal government, a state or provincial transportation 32 authority, or a private party, and operated as part of an urban 33 mass transit system, as defined by the jurisdiction that issues 34 the plate.

35 30. "Total distance" means all distance, including that

-14-

1 accrued on trip permits, operated by a fleet of apportioned 2 vehicles in all member jurisdictions during the reporting 3 period.

31. *"Trip permit"* means a permit issued by a member
jurisdiction in lieu of apportioned or full registration.
32. *"Truck"* means a power unit designed, used, or maintained

7 primarily for the transportation of property.

8 Sec. 20. Section 326.6, Code 2011, is amended by striking9 the section and inserting in lieu thereof the following:

10 326.6 Apportionable registration fees.

11 The department may determine the sum total amount of 12 registration fees necessary to register each and every vehicle 13 in a fleet based on the annual registration fees prescribed in 14 chapter 321.

15 Sec. 21. Section 326.10A, Code 2011, is amended to read as 16 follows:

17 326.10A Payment by check.

18 The department shall accept payment of fees under this 19 chapter by personal or corporate check, cash, wire transfer, 20 or other means allowed by the department. The A fee shall be 21 deemed to have been paid upon receipt of the check payment 22 in full. If the check payment is not honored, all fees 23 and penalties shall accumulate as if the fee was were not 24 paid. After appropriate warning from the department, the 25 registration account shall be suspended, collection pursued, 26 and the delinquent registration fees shall become a debt due 27 the state of Iowa. After a dishonored check payment has been 28 received from an applicant, payments submitted by the applicant 29 during the following year must be made with guaranteed funds. 30 However, the department may instead accept payment in the form 31 of a corporate check made on behalf of the applicant from an 32 approved company with a satisfactory payment history.

33 Sec. 22. Section 326.11, Code 2011, is amended to read as 34 follows:

-15-

35 326.11 Subsequently acquired vehicles.

Vehicles acquired by a <u>fleet owner registrant</u> after the commencement of the registration year and subsequently added to the fleet shall be prorated by applying the mileage percentage used in the original application for such fleet for such registration period to registration fees due under chapter 321. An application for registration shall be filed with the department <u>apportioned</u> pursuant to the provisions of chapter 321 and the international registration plan.

9 The director may issue temporary written authorization 10 to carriers for vehicles acquired by a fleet owner and 11 added to the fleet owner's prorate fleet after the beginning 12 of the registration year. The temporary authority shall 13 permit the operation of a commercial vehicle until permanent 14 identification is issued, except that the temporary authority 15 shall expire after sixty days.

16 Sec. 23. Section 326.12, Code 2011, is amended to read as
17 follows:

18 326.12 Vehicles deleted — registration transferred.
19 Fleet owners Registrants who delete commercial vehicles
20 displaying Iowa base plates from the fleet after the
21 commencement of the registration year shall be allowed to
22 transfer registration credit to a replacement vehicle in
23 accordance with this section. Iowa shall allow credit for
24 non-Iowa based deleted vehicles only if the state jurisdiction
25 designated by the fleet owner registrant as the base state
26 jurisdiction of the deleted vehicle permits transfer of
27 registration credit to the replacement vehicle. Allowance of
28 credit for deleted vehicles shall be subject to the following
29 conditions:

The fee for reissuance or issuance of registration
 credentials or for transfer of credentials a replacement
 vehicle shall be seven dollars.

33 2. No deletion shall be made nor credit allowed toward
34 registration of a replacement vehicle unless the vehicle to
35 be removed from service has been sold, junked, repossessed,

-16-

1 foreclosed by mechanic's lien, title transferred by operation 2 of law, or cancellation or expiration of a lease arrangement. 3 The deleted vehicle shall have been disposed of on or before 4 the date the replacement vehicle was acquired or in the 5 possession of the applicant. 3. 2. If a leased vehicle is to be deleted from the fleet 6 7 and unexpired registration fees applied to the replacement 8 vehicle, the lessee shall refund any unexpired registration 9 fees paid by the lessor to the lessee on the transferred 10 vehicle. 4. 3. Credit shall be given for unexpired months. 11 12 5. 4. The registration of the vehicle being added to the 13 fleet is not delinquent under chapter 321. 14 Sec. 24. Section 326.13, Code 2011, is amended to read as 15 follows: 326.13 Information under oath. 16 The department shall require fleet owners registrants 17 18 to submit under oath any information deemed necessary by 19 the department to carry out the provisions of this chapter. 20 Information furnished under this chapter shall be forwarded to 21 the director of the department by each fleet owner no later 22 than January 1 of the current registration year. 23 Sec. 25. Section 326.14, Code 2011, is amended to read as 24 follows: 25 326.14 Plates and receipts Credentials - registration period 26 year and renewal — penalty. The department shall issue a single registration 27 1. 28 plate and registration receipt for each vehicle pursuant to 29 apportionment agreements or provisions authorized under this 30 chapter. The registration period for a vehicle registered 31 pursuant to this chapter is from January 1 through December 31 32 of each year. 33 2. a. Each registration year for a vehicle registered 34 pursuant to this chapter is a twelve-month period commencing 35 on the first day of a calendar month and ending on the last day

LSB 5313DP (14) 84

dea/nh

1 of the twelfth month in that twelve-month period. Vehicles 2 subject to registration shall be registered for a registration 3 year as determined by the department. The department 4 may adjust the renewal or expiration date of a vehicle's 5 registration when deemed necessary to equalize the number of 6 vehicles registered in each twelve-month period or for the 7 administrative efficiency of the department. 8 b. The department may establish a procedure for the 9 implementation of a staggered registration system for vehicles 10 registered pursuant to the international registration plan. 11 Procedures established under this section may provide for a 12 one-time collection of fewer than twelve or up to eighteen 13 months of registration fees. 2. 3. An application for renewal of registration shall 14 15 be postmarked or received in the office of motor carrier 16 services of the department no later than January 31 the last 17 day of the registration expiration month. A five percent late 18 filing penalty shall be assessed to an application for renewal 19 postmarked or received on or after February 1 the first day 20 following the last day of the registration expiration month, 21 with an additional five percent penalty assessed the first of 22 each month thereafter until the application is filed. The 23 enforcement deadline for failure to display a registration 24 plate and registration is March 15 at 12:01 a.m. of the first 25 day following the last day of the registration expiration 26 month. 27 Sec. 26. Section 326.15, Code 2011, is amended to read as 28 follows: 29 326.15 Refunds of registration fees. 1. Refunds of registration fees paid for motor vehicles 30 31 under this chapter shall be in accordance with section 321.126. 32 In addition, if a motor vehicle is removed from an apportioned 33 fleet, the owner in whose name the motor vehicle was registered 34 registrant shall return the registration plate to the 35 department and make a claim for refund. A refund shall not be

-18-

LSB 5313DP (14) 84 dea/nh

1 allowed without documentation of the subsequent registration of 2 the motor vehicle.

3 <u>2.</u> A qualified <u>fleet owner</u> <u>registrant</u> may certify to the 4 department that the registration plate has been destroyed in 5 lieu of surrendering the plate. The department shall adopt 6 rules to define a qualified <u>fleet owner</u> registrant.

7 Sec. 27. Section 326.16, subsections 1 and 2, Code 2011, are 8 amended to read as follows:

9 1. If the fees for proportional <u>apportioned</u> registration 10 are not paid to each <u>contracting member</u> jurisdiction 11 entitled thereto on the basis of the <u>proportional apportioned</u> 12 registration application and supporting documents filed 13 with the department by the <u>fleet owner registrant</u> within a 14 reasonable amount of time as determined by the department, the 15 department shall calculate late payment penalties. The fleet 16 owner registrant shall be notified by regular mail that fees 17 and penalties are due and must be paid within thirty days of 18 the invoice date. If fees and penalties are not received, the 19 fleet owner registrant shall be notified by certified <u>regular</u> 20 mail that the owner's registration has been suspended.

21 2. A five percent late payment penalty shall be assessed if 22 an invoice is not paid within thirty days of the invoice date 23 or within thirty days of January 31 of the registration year, 24 whichever is later, with an additional five percent penalty 25 assessed the first of each month thereafter until all fees and 26 penalties are paid. In addition, the fees due for registration 27 in this state shall be a debt due to the state of Iowa. 28 Sec. 28. Section 326.19A, Code 2011, is amended to read as 29 follows:

30 326.19A Failure to maintain <u>operational</u> records — penalty.
31 1. The department may assess a penalty in an amount equal to
32 twenty percent of the <u>amount calculated under section 326.6</u>,
33 subsection 2, paragraph "b", if the audit of the apportioned
34 fleet owner under section 326.19 <u>apportioned fees if an audit</u>
35 <u>conducted pursuant to the international registration plan</u>

LSB 5313DP (14) 84

dea/nh

-19-

1 confirms that the fleet owner registrant has failed to maintain
2 operational records on all of the following:

a. Verification of miles <u>distance</u> for the preceding year.
 b. Jurisdictional percentages claimed pursuant to section
 5 326.6, subsection 1.

6 c. b. Reciprocity agreements to which the department may
7 be a party.

8 2. The department shall adopt rules specifying the records
9 and other information required for an audit under section
10 326.19 the international registration plan.

11 Sec. 29. Section 326.21, Code 2011, is amended to read as
12 follows:

13 326.21 Laws of other states jurisdictions - Iowa interests. In the absence of an agreement with another jurisdiction, 14 15 the department may examine the laws and requirements of such 16 jurisdiction and declare the extent and nature of exemptions, 17 benefits, and privileges to be extended to vehicles or owners 18 of vehicles properly registered or licensed in such other 19 jurisdiction. The department shall consider the interests of 20 the state of Iowa and the its citizens thereof, the interests 21 of the other jurisdictions and the their citizens thereof, and 22 the benefits which will accrue to the economy of the state of 23 Iowa from the uninterrupted flow of commerce in declarations 24 made under pursuant to this section. Each declaration shall 25 specify that the extent of exemptions, benefits, and privileges 26 is subject to revision without notice upon adoption by the 27 general assembly of legislation in conflict with the terms of 28 any such declaration.

29 Sec. 30. Section 326.22, Code 2011, is amended to read as 30 follows:

31 326.22 Operational laws of Iowa applicable.

32 A nonresident registered vehicle is subject to all laws 33 and rules governing the operation of such vehicle on the 34 highways of this state. The registration plates, stickers, 35 or other identification credentials assigned and furnished to

> LSB 5313DP (14) 84 dea/nh

20/29

-20-

1 any vehicle for the current registration year by the state 2 jurisdiction in which the vehicle is registered shall be 3 displayed on the vehicle substantially as provided in chapter 4 321 for vehicles registered pursuant to the provisions of 5 this chapter. In addition, a fee set by the department to 6 cover actual cost shall be charged for each plate, sticker, 7 or other identification furnished for each vehicle registered 8 in accordance with the provisions of this section or extended 9 reciprocity in accordance with the provisions of this section. 10 A charge shall not be made for the initial registration receipt 11 credentials issued for each vehicle registered pursuant to 12 an apportionment apportioned registration agreement. A fee 13 set by the department to cover actual costs shall be charged 14 for issuance of duplicate plates, stickers, other required 15 identification, or registration receipts other credentials. 16 Sec. 31. Section 326.25, Code 2011, is amended to read as 17 follows:

18 326.25 Applications — investigations.

19 The department shall examine and determine the 1. 20 genuineness, regularity, and legality of every application 21 lawfully made pursuant to this chapter, and may in all cases 22 make investigations as may be deemed necessary or require 23 additional information. The department shall reject any such 24 application if not satisfied of the genuineness, regularity, 25 or legality thereof of the application or the truth of any 26 statement contained therein in the application, or for 27 any other reason, when authorized by law. The department 28 is hereby authorized to take possession of any indicia of 29 proportional apportioned registration or reciprocity upon 30 expiration, revocation, cancellation, or suspension thereof of 31 the registration, or which is fictitious, or which has been 32 unlawfully or erroneously issued.

33 2. The department may suspend or revoke the registration 34 indicia of a vehicle registered on a prorated <u>an apportioned</u> 35 basis in any one of the following events:

-21-

a. When the department is satisfied that such registration
 indicia was issued upon fraudulent application. Bona
 fide errors shall be corrected within fifteen days after
 notification by the department.

5 b. When the department determines that the required fee
6 has not been paid and same the fee is not paid upon reasonable
7 notice and demand.

8 c. When the registration indicia is knowingly displayed on 9 a vehicle which is not in the prorate <u>apportioned</u> fleet of the 10 registrant.

11 d. Upon a determination that the motor vehicle does not have 12 financial liability coverage as required under section 321.20B. 13 Sec. 32. Section 326.26, Code 2011, is amended to read as 14 follows:

15 **326.26** Forms.

16 The department shall prescribe and provide suitable forms of 17 application, registration receipts credentials, and all other 18 forms requisite or deemed necessary to carry out the provisions 19 of this chapter.

20 Sec. 33. Section 326.27, Code 2011, is amended to read as 21 follows:

22 326.27 Violations to negate agreements.

Operation of a commercial vehicle or vehicles in violation of the requirements of this chapter, the motor vehicle registration laws of this state, or the terms of any agreement negotiated by the department pursuant to this chapter may, after due notice and hearing, be grounds for denial of reciprocal or proportional apportioned registration privileges on for the vehicle or vehicles of an owner so operated. Any An owner denied such reciprocal or proportional apportioned registration privileges shall be subject to payment of full registration privileges shall be subject to payment of full annual Iowa registration fees on for any such vehicle operated on Iowa highways. In addition to denial of reciprocal or apportional apportioned registration privileges, it shall be simple misdemeanor, unless such act is declared under Iowa

-22-

1 law to be a felony, for any person to operate under reciprocity
2 or proportional apportioned registration in violation of any
3 requirements of this chapter.

4 Sec. 34. Section 326.28, Code 2011, is amended to read as 5 follows:

6 326.28 Copies of records — fee.

7 A fee shall be charged for copies of such records as may be
8 provided from the office of by the department or the director.
9 Such fee shall be one dollar for the first page and fifty cents
10 for each additional page of copy received at any one time.

11 Sec. 35. Section 326.29, Code 2011, is amended to read as
12 follows:

13 326.29 Fees to road use tax fund.

Fees collected by the department pursuant to this chapter shall be remitted to the treasurer of state for deposit in the road use tax fund except that fees collected for other <u>states jurisdictions</u> shall be placed in a special fund known as the "reciprocity fund". The department, at least monthly, shall order the disbursement of such fees collected to the appropriate states jurisdictions. Interest earned on the "reciprocity fund" shall be retained by the state and shall be credited to the road use tax fund.

23 Sec. 36. Section 326.30, Code 2011, is amended to read as 24 follows:

25 326.30 Motor vehicle law applicable.

All provisions of chapter 321, insofar as applicable, are extended to include owners who register and title vehicles in this state on a proportional an apportioned registration basis or who operate interstate on Iowa highways under reciprocity. Sec. 37. Section 326.31, Code 2011, is amended to read as 1 follows:

32 326.31 Filing incorrect information — effect.

33 <u>1.</u> If the director has reason to believe that a fleet 34 owner registrant has filed incorrect information with the 35 department, for the purpose of reducing the fleet owner's

LSB 5313DP (14) 84

dea/nh

-23-

1 registrant's obligation for registration fees or fuel taxes, 2 the director may revoke the apportioned registration privileges 3 on all of the vehicles owned by the person. A person who has 4 such privileges revoked shall be required to register all of 5 the vehicles owned by the person with the appropriate county 6 treasurer for a period of no less than one year and no more 7 than five years thereafter. The department may use all reports 8 pertaining to the registration fees and motor fuel taxes in 9 ascertaining the accuracy of reports filed pertaining to 10 registration fees and motor fuel taxes.

2. A person whose privileges are revoked may request an 11 12 administrative hearing of said the action in accordance with 13 chapter 17A, and during the period pending the hearing, the 14 apportioned registration privileges shall be reinstated if the 15 fleet owner registrant posts security with the department in 16 an amount sufficient to pay the full annual fees if an adverse 17 decision is rendered at the hearing. At such the hearing, the 18 fleet owner registrant shall have the burden of proof as to the 19 accuracy of any report filed by the fleet owner registrant with 20 the department. Judicial review of any decision reached at the 21 administrative hearing may be sought in accordance with the 22 terms of the Iowa administrative procedure Act, chapter 17A. 23 Sec. 38. Section 326.32, Code 2011, is amended to read as 24 follows:

25 326.32 Additional fees or restrictions by other states 26 jurisdictions — effect.

If the laws of any other state or country jurisdiction impose any taxes, fees, charges, penalties, obligations, prohibitions, or limitations of any kind upon the vehicles of residents of Iowa, in addition to those imposed upon the vehicles of residents of such other state or country jurisdiction by the state of Iowa, the department may impose and collect fees and charges in the same amount and impose the same obligations, prohibitions, or limitations upon the owner or operator of a vehicle registered in such other state or country jurisdiction.

-24-

1 Sec. 39. Section 326.46, Code 2011, is amended to read as
2 follows:

3 326.46 Temporary unladen weight registration.

4 The department may issue temporary registration for 5 unregistered vehicles subject to registration under this 6 chapter upon application by the owner and payment of a fee 7 of ten dollars for each vehicle. The registration shall be 8 valid for fifteen days and for one trip between specified 9 points of origin and destination, with intermediate points 10 authorized by the department. Property or passengers shall 11 not be transported while the vehicle is subject to temporary 12 registration.

13 Sec. 40. REPEAL. Sections 326.7, 326.8, 326.9, 326.17, 14 326.18, 326.19, and 326.20, Code 2011, are repealed. Sec. 41. IMPLEMENTATION. The section of this Act amending 15 16 sections 321.1, subsection 60, relating to the registration 17 of motor trucks and truck tractors with a combined gross 18 weight exceeding five tons that are registered with the county 19 treasurer, the section of this Act striking section 321.134, 20 subsection 2, to eliminate semiannual installment payments 21 for certain registration fees, and the section of this Act 22 amending section 321.106, subsection 1, relating to proration 23 of certain registration fees shall be implemented on and after 24 January 1, 2013, for vehicles with a registration expiration 25 date after December 31, 2012. However, the department of 26 transportation may begin implementation before January 1, 2013, 27 to the extent necessary to transition to full implementation of 28 those provisions.

29

EXPLANATION

30 This bill contains provisions concerning the registration 31 of motor trucks, truck tractors, trailers, and semitrailers 32 and provisions concerning motor carriers operating in multiple 33 jurisdictions under the international registration plan.

34 The bill provides that motor trucks and truck tractors with 35 a combined gross weight exceeding five tons shall be registered

-25-

1 for a registration year that begins on the first day of the 2 month following the month of the birth of the owner, rather 3 than on a calendar year basis. The bill amends the definition 4 of "registration year" for purposes of Code chapter 321 to 5 reflect the change for six-ton motor trucks and truck tractors. 6 The bill further amends the definition of "registration 7 year" to reflect the change from calendar year registration 8 to staggered registration for vehicles registered under the 9 international registration plan pursuant to Code chapter 326.

10 The bill eliminates the current option of a three-year 11 registration for trailers and semitrailers licensed under the 12 international registration plan, but retains the option of a 13 five-year registration and allows the issuance of a permanent 14 registration plate for those vehicles.

Under current law, the annual registration fee for trucks, truck tractors, and road tractors with a gross weight exceeding five tons may be paid in semiannual installments. The bill strikes that option, and requires full payment of registration fees on an annual basis. The bill makes conforming changes to provisions for proration of registration fees for vehicles registered in the second through eleventh month of the registration year.

The bill amends Code section 321.134 to specify that the penalties prescribed in that Code section for delinquent registration of a vehicle do not apply to vehicles registered under the international registration plan.

27 Under current law, the owner of a vehicle may obtain 28 an increased gross weight registration by payment of the 29 difference between the annual fee for the higher gross weight 30 and the fee for the gross weight at which the vehicle is 31 registered. If the increased weight registration occurs 32 during or after the seventh month of the registration year, 33 the required fee is one-twelfth of the difference in the 34 annual fees multiplied by the number of unexpired months of 35 the registration year. However, increased weight registration

-26-

LSB 5313DP (14) 84 dea/nh

1 is not allowed if the owner's operation of the vehicle has 2 resulted in a conviction or action pending under Code chapter 3 321. The bill eliminates that restriction and allows proration 4 of the difference in the fee at any time in the registration 5 year when the application for increased weight registration is 6 made.

7 The bill makes numerous changes to Code chapter 326, which 8 provides for reciprocal arrangements with other jurisdictions 9 for the registration of commercial vehicles that operate in 10 multiple jurisdictions. The bill substitutes the concept 11 of "apportioned registration" for the current "proportional 12 registration" and specifies that apportioned registration 13 shall be conducted under the international registration 14 plan. "International registration plan" is defined as 15 the registration reciprocity agreement among states of the 16 United States, the District of Columbia, and provinces of 17 Canada providing for payment of apportionable fees on the 18 basis of total distance operated in all jurisdictions, in 19 effect on January 1, 2011, or as later amended, published by 20 international registration plan, inc., and available on the 21 plan's internet site.

The bill strikes definitions which are no longer relevant Code chapter 326 and defines newly relevant terms as they are defined in the most current edition of the international registration plan. The bill makes various changes for the purpose of conforming the Code to the lexicon of the international registration plan.

The bill strikes current provisions relating to the application process for proportional registration and the calculation of registration fees for fleets of commercial vehicles subject to proportional registration. The department is authorized under the bill to determine the necessary apportionable registration fees. The bill directs that the department shall accept payment of apportioned registration fees by personal or corporate check, cash, wire transfer, or

-27-

LSB 5313DP (14) 84 dea/nh

1 other means allowed by the department.

The bill strikes provisions for the proration of fees for vehicles added to a fleet after the commencement of the registration year and provides that newly acquired vehicles shall be apportioned according to Code chapter 321 and the international registration plan. Current restrictions on the deletion of vehicles and the allowance of credit for replacement vehicles are stricken from Code chapter 326 by the bill.

10 The bill strikes a requirement for the forwarding of ll required information by a fleet owner to the director of 12 transportation by January 1 of the current registration year. 13 Under current law, vehicles subject to proportional 14 registration are registered on a calendar-year basis. The 15 bill changes that by providing for staggered registration 16 periods of 12 months, with one registration year beginning in 17 each month of the calendar year and expiring on the last day 18 of the twelfth calendar month in that 12-month period. The 19 application deadline for registration renewal is the last day 20 of the registration expiration month. The enforcement deadline 21 for failure to display a registration plate and registration 22 is 12:01 a.m. of the first day following the last day of the 23 registration expiration month. The department is authorized 24 to establish procedures for a one-time collection of fewer 25 than 12 or up to 18 months of registration fees to transition 26 to staggered registration periods. Notice of suspension of 27 registration for nonpayment of fees, which the department is 28 currently required to send by certified mail, may be sent by 29 regular mail under the bill.

30 The bill strikes specific requirements for the retention 31 of records by a registrant and the auditing of records, 32 but retains penalty provisions relating to audits conducted 33 pursuant to the international registration plan.

The bill strikes specific fees for copies of records provided by the department, but requires the department to

-28-

1 charge an unspecified fee for such copies. Pursuant to current 2 law, fees collected by the department relating to apportioned 3 registration are deposited in the road use tax fund, except 4 that fees collected for other jurisdictions are placed in 5 a special fund called the "reciprocity fund" for eventual 6 disbursement to appropriate jurisdictions.

7 The bill repeals sections from Code chapter 326 relating 8 to agreements for proportional registration based on compact 9 miles, the estimation of mileage for particular fleets of 10 vehicles, requirements for consistent registration of entire 11 fleets within each state, the issuance of Iowa base plates, 12 nonresident fleet owner privileges, specific requirements for 13 audits, and reciprocity for leased vehicles.

14 The bill states that certain provisions relating to the 15 registration of motor trucks and truck tractors with a combined 16 gross weight exceeding five tons that are registered with the 17 county treasurer, the elimination of semiannual installment 18 payments for certain registration fees, and the proration of 19 certain registration fees shall be implemented on and after 20 January 1, 2012, for vehicles whose registration expires after 21 December 31, 2012. However, the bill authorizes the department 22 of transportation to begin implementation earlier to the extent 23 necessary to transition to full implementation.

-29-