

SB0231S01 compared with SB0231

~~{deleted text}~~ shows text that was in SB0231 but was deleted in SB0231S01.

inserted text shows text that was not in SB0231 but was inserted into SB0231S01.

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Senator Wayne A. Harper proposes the following substitute bill:

TRANSPORTATION AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: ~~{~~ Johnny Anderson

LONG TITLE

General Description:

This bill modifies provisions relating to transportation funding.

Highlighted Provisions:

This bill:

- ▶ provides definitions;
- ▶ increases motor vehicle registration fees for certain motor vehicles of 12,000 pounds or less gross laden weight, excluding motorcycles;
- ▶ provides that the increased portion of certain registration fees shall be deposited into the Transportation Fund;
- ▶ amends the penalty amount that is collected from an issuing dealer for a temporary permit that is outstanding for 45 days from the date it is issued;

~~{ → increases the tax rate of the special fuel tax imposed on compressed natural gas and~~

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~~liquified natural gas;~~

- ‡ ▶ amends the amount of revenue that is appropriated from the Transportation Fund to the class B and class C roads account;
- ▶ requires the Division of Finance to transfer a certain amount of revenue from the Transportation Investment Fund of 2005 to the Clean Fuels and Vehicle Technology Fund;
- ▶ provides that the Transportation Interim Committee shall study the impacts of creating variable registration fees based on a motor vehicle's fuel economy rating; and
- ▶ makes technical corrections.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

41-1a-102, as last amended by Laws of Utah 2014, Chapters 61, 237, and 237

41-1a-1201, as last amended by Laws of Utah 2012, Chapters 207, 356, 397 and last amended by Coordination Clause, Laws of Utah 2012, Chapter 397

41-1a-1206, as last amended by Laws of Utah 2014, Chapters 61, 237, and 237

41-3-301, as last amended by Laws of Utah 2008, Chapter 382

41-3-302, as last amended by Laws of Utah 2008, Chapter 382

~~{ **59-13-301**, as last amended by Laws of Utah 2011, Chapter 259~~

‡ **72-2-107**, as last amended by Laws of Utah 2010, Chapter 391

72-2-124, as last amended by Laws of Utah 2013, Chapters 389 and 400

Uncodified Material Affected:

ENACTS UNCODIFIED MATERIAL

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **41-1a-102** is amended to read:

41-1a-102. Definitions.

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As used in this chapter:

(1) "Actual miles" means the actual distance a vehicle has traveled while in operation.

(2) "Actual weight" means the actual unladen weight of a vehicle or combination of vehicles as operated and certified to by a weighmaster.

(3) "All-terrain type I vehicle" [~~has the same meaning provided~~] means the same as that term is defined in Section 41-22-2.

(4) "All-terrain type II vehicle" [~~has the same meaning provided~~] means the same as that term is defined in Section 41-22-2.

(5) "Amateur radio operator" means any person licensed by the Federal Communications Commission to engage in private and experimental two-way radio operation on the amateur band radio frequencies.

(6) "Branded title" means a title certificate that is labeled:

- (a) rebuilt and restored to operation;
- (b) flooded and restored to operation; or
- (c) not restored to operation.

(7) "Camper" means any structure designed, used, and maintained primarily to be mounted on or affixed to a motor vehicle that contains a floor and is designed to provide a mobile dwelling, sleeping place, commercial space, or facilities for human habitation or for camping.

(8) "Certificate of title" means a document issued by a jurisdiction to establish a record of ownership between an identified owner and the described vehicle, vessel, or outboard motor.

(9) "Certified scale weigh ticket" means a weigh ticket that has been issued by a weighmaster.

(10) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or maintained for the transportation of persons or property that operates:

- (a) as a carrier for hire, compensation, or profit; or
- (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.

(11) "Commission" means the State Tax Commission.

(12) "Dealer" means a person engaged or licensed to engage in the business of buying, selling, or exchanging new or used vehicles, vessels, or outboard motors either outright or on

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conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an established place of business for the sale, lease, trade, or display of vehicles, vessels, or outboard motors.

(13) "Diesel fuel" means the same as that term is defined in Section 59-13-102.

~~[(13)]~~ (14) "Division" means the Motor Vehicle Division of the commission, created in Section 41-1a-106.

(15) "Electric vehicle" means a motor vehicle that is powered solely by an electric motor drawing current from a rechargeable energy storage system.

~~[(14)]~~ (16) "Essential parts" means all integral and body parts of a vehicle of a type required to be registered in this state, the removal, alteration, or substitution of which would tend to conceal the identity of the vehicle or substantially alter its appearance, model, type, or mode of operation.

~~[(15)]~~ (17) "Farm tractor" means every motor vehicle designed and used primarily as a farm implement for drawing plows, mowing machines, and other implements of husbandry.

~~[(16)]~~ (18) (a) "Farm truck" means a truck used by the owner or operator of a farm solely for his own use in the transportation of:

(i) farm products, including livestock and its products, poultry and its products, floricultural and horticultural products;

(ii) farm supplies, including tile, fence, and every other thing or commodity used in agricultural, floricultural, horticultural, livestock, and poultry production; and

(iii) livestock, poultry, and other animals and things used for breeding, feeding, or other purposes connected with the operation of a farm.

(b) "Farm truck" does not include the operation of trucks by commercial processors of agricultural products.

~~[(17)]~~ (19) "Fleet" means one or more commercial vehicles.

~~[(18)]~~ (20) "Foreign vehicle" means a vehicle of a type required to be registered, brought into this state from another state, territory, or country other than in the ordinary course of business by or through a manufacturer or dealer, and not registered in this state.

~~[(19)]~~ (21) "Gross laden weight" means the actual weight of a vehicle or combination of vehicles, equipped for operation, to which shall be added the maximum load to be carried.

~~[(20)]~~ (22) "Highway" or "street" means the entire width between property lines of every way or place of whatever nature when any part of it is open to the public, as a matter of

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right, for purposes of vehicular traffic.

(23) "Hybrid electric vehicle" means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are both:

(a) an internal combustion engine or heat engine using consumable fuel; and

(b) a rechargeable energy storage system where recharge energy for the energy storage system comes solely from sources onboard the vehicle.

~~[(21)]~~ (24) (a) "Identification number" means the identifying number assigned by the manufacturer or by the division for the purpose of identifying the vehicle, vessel, or outboard motor.

(b) "Identification number" includes a vehicle identification number, state assigned identification number, hull identification number, and motor serial number.

~~[(22)]~~ (25) "Implement of husbandry" means every vehicle designed or adapted and used exclusively for an agricultural operation and only incidentally operated or moved upon the highways.

~~[(23)]~~ (26) (a) "In-state miles" means the total number of miles operated in this state during the preceding year by fleet power units.

(b) If fleets are composed entirely of trailers or semitrailers, "in-state miles" means the total number of miles that those vehicles were towed on Utah highways during the preceding year.

~~[(24)]~~ (27) "Interstate vehicle" means any commercial vehicle operated in more than one state, province, territory, or possession of the United States or foreign country.

~~[(25)]~~ (28) "Jurisdiction" means a state, district, province, political subdivision, territory, or possession of the United States or any foreign country.

~~[(26)]~~ (29) "Lienholder" means a person with a security interest in particular property.

~~[(27)]~~ (30) "Manufactured home" means a transportable factory built housing unit constructed on or after June 15, 1976, according to the Federal Home Construction and Safety Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or when erected on site, is 400 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems.

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~~[(28)]~~ (31) "Manufacturer" means a person engaged in the business of constructing, manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or outboard motors for the purpose of sale or trade.

~~[(29)]~~ (32) "Mobile home" means a transportable factory built housing unit built prior to June 15, 1976, in accordance with a state mobile home code which existed prior to the Federal Manufactured Housing and Safety Standards Act (HUD Code).

~~[(30)]~~ (33) "Motorboat" has the same meaning as provided in Section 73-18-2.

~~[(31)]~~ (34) "Motorcycle" means a motor vehicle having a saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground.

(35) "Motor fuel" means the same as that term is defined in Section 59-13-102.

~~[(32)]~~ (36) (a) "Motor vehicle" means a self-propelled vehicle intended primarily for use and operation on the highways.

(b) "Motor vehicle" does not include an off-highway vehicle.

(37) "Natural gas" means a fuel whose primary constituent is methane.

~~[(33)]~~ (38) (a) "Nonresident" means a person who is not a resident of this state as defined by Section 41-1a-202, and who does not engage in intrastate business within this state and does not operate in that business any motor vehicle, trailer, or semitrailer within this state.

(b) A person who engages in intrastate business within this state and operates in that business any motor vehicle, trailer, or semitrailer in this state or who, even though engaging in interstate commerce, maintains any vehicle in this state as the home station of that vehicle is considered a resident of this state, insofar as that vehicle is concerned in administering this chapter.

~~[(34)]~~ (39) "Odometer" means a device for measuring and recording the actual distance a vehicle travels while in operation, but does not include any auxiliary odometer designed to be periodically reset.

~~[(35)]~~ (40) "Off-highway implement of husbandry" ~~[has the same meaning as provided]~~ means the same as that term is defined in Section 41-22-2.

~~[(36)]~~ (41) "Off-highway vehicle" ~~[has the same meaning as provided]~~ means the same as that term is defined in Section 41-22-2.

~~[(37)]~~ (42) "Operate" means to drive or be in actual physical control of a vehicle or to navigate a vessel.

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~~[(38)]~~ (43) "Outboard motor" means a detachable self-contained propulsion unit, excluding fuel supply, used to propel a vessel.

~~[(39)]~~ (44) (a) "Owner" means a person, other than a lienholder, holding title to a vehicle, vessel, or outboard motor whether or not the vehicle, vessel, or outboard motor is subject to a security interest.

(b) If a vehicle is the subject of an agreement for the conditional sale or installment sale or mortgage of the vehicle with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or mortgagor, or if the vehicle is the subject of a security agreement, then the conditional vendee, mortgagor, or debtor is considered the owner for the purposes of this chapter.

(c) If a vehicle is the subject of an agreement to lease, the lessor is considered the owner until the lessee exercises his option to purchase the vehicle.

~~[(40)]~~ (45) "Park model recreational vehicle" means a unit that:

(a) is designed and marketed as temporary living quarters for recreational, camping, travel, or seasonal use;

(b) is not permanently affixed to real property for use as a permanent dwelling;

(c) requires a special highway movement permit for transit; and

(d) is built on a single chassis mounted on wheels with a gross trailer area not exceeding 400 square feet in the setup mode.

~~[(41)]~~ (46) "Personalized license plate" means a license plate that has displayed on it a combination of letters, numbers, or both as requested by the owner of the vehicle and assigned to the vehicle by the division.

~~[(42)]~~ (47) (a) "Pickup truck" means a two-axle motor vehicle with motive power manufactured, remanufactured, or materially altered to provide an open cargo area.

(b) "Pickup truck" includes motor vehicles with the open cargo area covered with a camper, camper shell, tarp, removable top, or similar structure.

~~[(43)]~~ (48) "Pneumatic tire" means every tire in which compressed air is designed to support the load.

~~[(44)]~~ (49) "Preceding year" means a period of 12 consecutive months fixed by the division that is within 16 months immediately preceding the commencement of the registration

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or license year in which proportional registration is sought. The division in fixing the period shall conform it to the terms, conditions, and requirements of any applicable agreement or arrangement for the proportional registration of vehicles.

~~[(45)]~~ (50) "Public garage" means every building or other place where vehicles or vessels are kept and stored and where a charge is made for the storage and keeping of vehicles and vessels.

~~[(46)]~~ (51) "Receipt of surrender of ownership documents" means the receipt of surrender of ownership documents described in Section 41-1a-503.

~~[(47)]~~ (52) "Reconstructed vehicle" means every vehicle of a type required to be registered in this state that is materially altered from its original construction by the removal, addition, or substitution of essential parts, new or used.

~~[(48)]~~ (53) "Recreational vehicle" has the same meaning as provided in Section 13-14-102.

~~[(49)]~~ (54) "Registration" means a document issued by a jurisdiction that allows operation of a vehicle or vessel on the highways or waters of this state for the time period for which the registration is valid and that is evidence of compliance with the registration requirements of the jurisdiction.

~~[(50)]~~ (55) (a) "Registration year" means a 12 consecutive month period commencing with the completion of all applicable registration criteria.

(b) For administration of a multistate agreement for proportional registration the division may prescribe a different 12-month period.

~~[(51)]~~ (56) "Repair or replacement" means the restoration of vehicles, vessels, or outboard motors to a sound working condition by substituting any inoperative part of the vehicle, vessel, or outboard motor, or by correcting the inoperative part.

~~[(52)]~~ (57) "Replica vehicle" means:

(a) a street rod that meets the requirements under Subsection 41-21-1(1)(a)(i)(B); or

(b) a custom vehicle that meets the requirements under Subsection 41-6a-1507(1)(a)(i)(B).

~~[(53)]~~ (58) "Road tractor" means every motor vehicle designed and used for drawing other vehicles and constructed so it does not carry any load either independently or any part of the weight of a vehicle or load that is drawn.

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~~[(54)]~~ (59) "Sailboat" has the same meaning as provided in Section 73-18-2.

~~[(55)]~~ (60) "Security interest" means an interest that is reserved or created by a security agreement to secure the payment or performance of an obligation and that is valid against third parties.

~~[(56)]~~ (61) "Semitrailer" means every vehicle without motive power designed for carrying persons or property and for being drawn by a motor vehicle and constructed so that some part of its weight and its load rests or is carried by another vehicle.

~~[(57)]~~ (62) "Special group license plate" means a type of license plate designed for a particular group of people or a license plate authorized and issued by the division in accordance with Section 41-1a-418.

~~[(58)]~~ (63) (a) "Special interest vehicle" means a vehicle used for general transportation purposes and that is:

- (i) 20 years or older from the current year; or
- (ii) a make or model of motor vehicle recognized by the division director as having unique interest or historic value.

(b) In making his determination under Subsection (58)(a), the division director shall give special consideration to:

- (i) a make of motor vehicle that is no longer manufactured;
- (ii) a make or model of motor vehicle produced in limited or token quantities;
- (iii) a make or model of motor vehicle produced as an experimental vehicle or one designed exclusively for educational purposes or museum display; or
- (iv) a motor vehicle of any age or make that has not been substantially altered or modified from original specifications of the manufacturer and because of its significance is being collected, preserved, restored, maintained, or operated by a collector or hobbyist as a leisure pursuit.

~~[(60)]~~ (64) "Specially constructed vehicle" means every vehicle of a type required to be registered in this state, not originally constructed under a distinctive name, make, model, or type by a generally recognized manufacturer of vehicles, and not materially altered from its original construction.

~~[(59)]~~ (65) (a) "Special mobile equipment" means every vehicle:

- (i) not designed or used primarily for the transportation of persons or property;

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- (ii) not designed to operate in traffic; and
- (iii) only incidentally operated or moved over the highways.

(b) "Special mobile equipment" includes:

- (i) farm tractors;
- (ii) off-road motorized construction or maintenance equipment including backhoes, bulldozers, compactors, graders, loaders, road rollers, tractors, and trenchers; and
- (iii) ditch-digging apparatus.

(c) "Special mobile equipment" does not include a commercial vehicle as defined under Section 72-9-102.

~~[(61)]~~ (66) "Title" means the right to or ownership of a vehicle, vessel, or outboard motor.

~~[(62)]~~ (67) (a) "Total fleet miles" means the total number of miles operated in all jurisdictions during the preceding year by power units.

(b) If fleets are composed entirely of trailers or semitrailers, "total fleet miles" means the number of miles that those vehicles were towed on the highways of all jurisdictions during the preceding year.

~~[(63)]~~ (68) "Trailer" means a vehicle without motive power designed for carrying persons or property and for being drawn by a motor vehicle and constructed so that no part of its weight rests upon the towing vehicle.

~~[(64)]~~ (69) "Transferee" means a person to whom the ownership of property is conveyed by sale, gift, or any other means except by the creation of a security interest.

~~[(65)]~~ (70) "Transferor" means a person who transfers his ownership in property by sale, gift, or any other means except by creation of a security interest.

~~[(66)]~~ (71) "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable vehicle without motive power, designed as a temporary dwelling for travel, recreational, or vacation use that does not require a special highway movement permit when drawn by a self-propelled motor vehicle.

~~[(67)]~~ (72) "Truck tractor" means a motor vehicle designed and used primarily for drawing other vehicles and not constructed to carry a load other than a part of the weight of the vehicle and load that is drawn.

~~[(68)]~~ (73) "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle,

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camper, park model recreational vehicle, manufactured home, and mobile home.

~~[(69)]~~ (74) "Vessel" has the same meaning as provided in Section 73-18-2.

~~[(70)]~~ (75) "Vintage vehicle" has the same meaning as provided in Section 41-21-1.

~~[(71)]~~ (76) "Waters of this state" has the same meaning as provided in Section 73-18-2.

~~[(72)]~~ (77) "Weighmaster" means a person, association of persons, or corporation permitted to weigh vehicles under this chapter.

Section 2. Section **41-1a-1201** is amended to read:

41-1a-1201. Disposition of fees.

(1) All fees received and collected under this part shall be transmitted daily to the state treasurer.

(2) Except as provided in Subsections (3), (6), and (7) and Sections 41-1a-422, 41-1a-1220, 41-1a-1221, and 41-1a-1223 all fees collected under this part shall be deposited in the Transportation Fund.

(3) Funds generated under Subsections 41-1a-1211(1)(b)(ii), (6)(b)(ii), and (7) and Section 41-1a-1212 may be used by the commission to cover the costs incurred in issuing license plates under Part 4, License Plates and Registration Indicia.

(4) In accordance with Section 63J-1-602.2, all funds available to the commission for the purchase and distribution of license plates and decals are nonlapsing.

(5) (a) Except as provided in Subsections (3) and (5)(b) and Section 41-1a-1205, the expenses of the commission in enforcing and administering this part shall be provided for by legislative appropriation from the revenues of the Transportation Fund.

(b) Three dollars of the registration fees imposed under Subsections 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under Section 41-1a-215.5 may be used by the commission to cover the costs incurred in enforcing and administering this part.

(6) (a) The following portions of the registration fees imposed under Section 41-1a-1206 for each vehicle shall be deposited in the Transportation Investment Fund of 2005 created under Section 72-2-124:

(i) \$30 of the registration fees imposed under Subsections 41-1a-1206(1)(a), ~~[(1)(b); (1)(f), (3), and (6)]~~ 41-1a-1206(1)(b)(i) through (viii), and 41-1a-1206(1)(f), (3), and (6);

(ii) \$21 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i) and

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(1)(c)(ii);

- (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);
- (iv) \$23 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i);
- (v) \$24.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i); and
- (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii).

(b) The following portions of the registration fees collected for each vehicle registered for a six-month registration period under Section 41-1a-215.5 shall be deposited in the Transportation Investment Fund of 2005 created by Section 72-2-124:

(i) \$23.25 of [~~each~~] the registration fee collected under Subsection 41-1a-1206(2)(a); and

(ii) \$23 of [~~each~~] the registration [~~fee collected~~] fees imposed under [~~Subsection~~] Subsections 41-1a-1206(2)(b)(i) through (vii).

(7) (a) Ninety-four cents of each registration fee imposed under Subsections 41-1a-1206(1)(a) and (b) for each vehicle shall be deposited in the Public Safety Restricted Account created in Section 53-3-106.

(b) Seventy-one cents of each registration fee imposed under Subsections 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under Section 41-1a-215.5 shall be deposited in the Public Safety Restricted Account created in Section 53-3-106.

Section 3. Section **41-1a-1206** is amended to read:

41-1a-1206. Registration fees -- Fees by gross laden weight.

(1) Except as provided in Subsections (2) and (3), at the time application is made for registration or renewal of registration of a vehicle or combination of vehicles under this chapter, a registration fee shall be paid to the division as follows:

- (a) \$44.50 for each motorcycle;
- (b) [~~\$43~~] for each motor vehicle of 12,000 pounds or less gross laden weight, excluding motorcycles[;]:

(i) \$53 for each motor vehicle fueled by motor fuel;

(ii) \$53 for each motor vehicle fueled by diesel fuel;

(iii) \$53 for each motor vehicle registered under Section 41-1a-301;

(iv) \$103 for each motor vehicle fueled by natural gas;

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(v) \$113 for each electric motor vehicle;

(vi) \$103 for each hybrid electric motor vehicle;

(vii) \$53 for each motor vehicle fueled by propane; and

(viii) \$113 for each motor vehicle not described in Subsections (1)(b)(i) through (vii);

(c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202 or is registered under Section 41-1a-301:

(i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or

(ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less gross unladen weight;

(d) (i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus

(ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;

(e) (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus

(ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;

(f) (i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus

(ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight; and

(g) \$45 for each vintage vehicle that is less than 40 years old.

(2) At the time application is made for registration or renewal of registration of a vehicle under this chapter for a six-month registration period under Section 41-1a-215.5, a registration fee shall be paid to the division as follows:

(a) \$33.50 for each motorcycle; and

(b) [~~\$32.50~~] for each motor vehicle of 12,000 pounds or less gross laden weight, excluding motorcycles[-]:

(i) \$38.50 for each motor vehicle fueled by motor fuel;

(ii) \$38.50 for each motor vehicle fueled by diesel fuel;

(iii) \$38.50 for each motor vehicle registered under Section 41-1a-301;

(iv) \$68.50 for each motor vehicle fueled by natural gas;

(v) \$74.50 for each electric motor vehicle;

(vi) \$68.50 for each hybrid electric motor vehicle;

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(vii) \$38.50 for each motor vehicle fueled by propane; and

(viii) \$74.50 for each motor vehicle not described in Subsections (2)(b)(i) through

(vii).

(3) (a) The initial registration fee for a vintage vehicle that is 40 years old or older is \$40.

(b) A vintage vehicle that is 40 years old or older is exempt from the renewal of registration fees under Subsection (1).

(c) A vehicle with a Purple Heart special group license plate issued in accordance with Section 41-1a-421 is exempt from the registration fees under Subsection (1).

(d) A camper is exempt from the registration fees under Subsection (1).

(4) If a motor vehicle is operated in combination with a semitrailer or trailer, each motor vehicle shall register for the total gross laden weight of all units of the combination if the total gross laden weight of the combination exceeds 12,000 pounds.

(5) (a) Registration fee categories under this section are based on the gross laden weight declared in the licensee's application for registration.

(b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part of 2,000 pounds is a full unit.

(6) The owner of a commercial trailer or commercial semitrailer may, as an alternative to registering under Subsection (1)(c), apply for and obtain a special registration and license plate for a fee of \$130.

(7) Except as provided in Section 41-6a-1642, a truck may not be registered as a farm truck unless:

(a) the truck meets the definition of a farm truck under Section 41-1a-102; and

(b) (i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or

(ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner submits to the division a certificate of emissions inspection or a waiver in compliance with Section 41-6a-1642.

(8) A violation of Subsection (7) is a class B misdemeanor that shall be punished by a fine of not less than \$200.

(9) Trucks used exclusively to pump cement, bore wells, or perform crane services with a crane lift capacity of five or more tons, are exempt from 50% of the amount of the fees

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required for those vehicles under this section.

Section 4. Section **41-3-301** is amended to read:

41-3-301. Sale by dealer, sale by auction -- Temporary permit -- Delivery of certificate of title or origin -- Notice to division.

(1) (a) (i) Each dealer licensed under Part 2, Licensing, upon the sale and delivery of any motor vehicle for which a temporary permit is issued under Section 41-3-302 shall within 45 days submit a certificate of title or manufacturer's certificate of origin for that motor vehicle, endorsed according to law, to the Motor Vehicle Division, accompanied by all documents required to obtain a new certificate of title and registration in the new owner's name.

(ii) Each dealer is responsible and liable for the registration fee for a vehicle described in Subsection (1)(a)(i).

(b) If a temporary permit is not issued, the certificate of title or manufacturer's certificate of origin shall be delivered to the vendee, endorsed according to law, within 48 hours, unless the vendee is a dealer or dismantler in which case the title or manufacturer's certificate of origin shall be delivered within 21 days.

(c) (i) A motor vehicle consigned to an auction and sold is considered sold by the consignor to the auction and then sold by the auction to the consignee.

(ii) Both the consignor and auction are subject to this section.

(d) (i) (A) A motor vehicle consigned to a wholesale motor vehicle auction and sold to a licensed dealer or dismantler is considered sold by the consignor to the licensed dealer or dismantler.

(B) Both the consignor and the wholesale motor vehicle auction are subject to the title delivery requirements of Subsection (1)(b).

(C) The consignor, or the wholesale motor vehicle auction as the consignor's agent, shall endorse the certificate of title according to law. By endorsing the certificate of title as agent of the consignor, the wholesale motor vehicle auction does not become the owner, seller, or assignor of title.

(ii) (A) A wholesale motor vehicle auction may purchase or sell motor vehicles in its own name.

(B) If a wholesale motor vehicle auction purchases or sells a motor vehicle in its own name, the wholesale motor vehicle auction is subject to Subsections (1)(a) and (1)(b).

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(2) (a) (i) Each dealer licensed under Part 2, Licensing, upon the sale and delivery of a motor vehicle for which a temporary permit is issued under Section 41-3-302, shall within 45 days give written notice of the sale to the Motor Vehicle Division upon a form provided by the Motor Vehicle Division.

(ii) The notice shall contain:

(A) the date of the sale;

(B) the names and addresses of the dealer and the purchaser;

(C) a description of the motor vehicle;

(D) the motor vehicle's odometer reading at the time of the sale; and

(E) other information required by the division.

(b) If no temporary permit is issued, the notice shall be filed with the division within 45 days after the sale, and a duplicate copy shall be given to the purchaser at the time of sale, unless the purchaser is a dealer or dismantler.

(c) The administrator may make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, providing that the notice required under Subsections (2)(a) and (2)(b) may be filed in electronic form or on magnetic media.

Section 5. Section **41-3-302** is amended to read:

41-3-302. Temporary permits -- Purchasers of motor vehicles -- Penalty for use after expiration -- Sale and rescission.

(1) (a) ~~[(i)]~~ A dealer or the division may issue a temporary permit.

~~[(ii)]~~ (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the administrator shall makes rules for the issuance of a temporary permit under Subsection (1)(a)~~[(i)]~~.

~~[(iii)]~~ (c) The division shall furnish the forms for temporary permits issued by dealers under Subsection (1)(a)~~[(i)]~~.

~~[(b)]~~ (2) A dealer may issue a temporary permit to a bona fide purchaser of a motor vehicle for a period not to exceed 45 days on a motor vehicle sold to the purchaser by the dealer.

~~[(c) The]~~ (3) Except as provided in Subsection (4), the dealer ~~[is responsible and liable for the registration fee of]~~ shall pay a fee of ~~+\$50+~~\$51 for each motor vehicle for which ~~[the]~~ a permit is issued under this section.

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~~[(d) All issued temporary permits that are outstanding after 45 days from the date they are issued are delinquent and a penalty equal to the registration fee shall be collected from the issuing dealer.]~~

~~[(2) If a temporary permit is issued by a dealer under this section and the sale of the motor vehicle is subsequently rescinded, the temporary permit may be voided and the issuing dealer is not liable for the registration fee or penalty.]~~

~~(4) A dealer is not required to pay the fee required under Subsection (3):~~

~~(a) if a Utah registration is obtained for the motor vehicle within the time frame allowed under Subsection (2); or~~

~~(b) if the sale of the motor vehicle for which the temporary permit is issued under this section is subsequently rescinded and the temporary permit is voided.~~

Section 6. Section ~~{59-13-301}~~72-2-107 is amended to read:

~~{~~ ~~**59-13-301. Tax basis -- Rate -- Exemptions -- Revenue deposited with treasurer and credited to Transportation Fund -- Reduction of tax in limited circumstances.**~~

~~—— (1) (a) Except as provided in Subsections (2), (3), (11), and (12) and Section 59-13-304, a tax is imposed at the same rate imposed under Subsection 59-13-201(1)(a) on the:~~

~~—— (i) removal of undyed diesel fuel from any refinery;~~

~~—— (ii) removal of undyed diesel fuel from any terminal;~~

~~—— (iii) entry into the state of any undyed diesel fuel for consumption, use, sale, or warehousing;~~

~~—— (iv) sale of undyed diesel fuel to any person who is not registered as a supplier under this part unless the tax has been collected under this section;~~

~~—— (v) any untaxed special fuel blended with undyed diesel fuel; or~~

~~—— (vi) use of untaxed special fuel other than propane or electricity.~~

~~—— (b) The tax imposed under this section shall only be imposed once upon any special fuel.~~

~~—— (2) (a) No special fuel tax is imposed or collected upon dyed diesel fuel which:~~

~~—— (i) is sold or used for any purpose other than to operate or propel a motor vehicle upon the public highways of the state, but this exemption applies only in those cases where the purchasers or the users of special fuel establish to the satisfaction of the commission that the special fuel was used for purposes other than to operate a motor vehicle upon the public~~

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~~highways of the state; or~~

~~—— (ii) is sold to this state or any of its political subdivisions;~~

~~—— (b) No special fuel tax is imposed on undyed diesel fuel or clean fuel that is:~~

~~—— (i) sold to the United States government or any of its instrumentalities or to this state or any of its political subdivisions;~~

~~—— (ii) exported from this state if proof of actual exportation on forms prescribed by the commission is made within 180 days after exportation;~~

~~—— (iii) used in a vehicle off-highway;~~

~~—— (iv) used to operate a power take-off unit of a vehicle;~~

~~—— (v) used for off-highway agricultural uses;~~

~~—— (vi) used in a separately fueled engine on a vehicle that does not propel the vehicle upon the highways of the state; or~~

~~—— (vii) used in machinery and equipment not registered and not required to be registered for highway use;~~

~~—— (3) No tax is imposed or collected on special fuel if it is:~~

~~—— (a) (i) purchased for business use in machinery and equipment not registered and not required to be registered for highway use; and~~

~~—— (ii) used pursuant to the conditions of a state implementation plan approved under Title 19, Chapter 2, Air Conservation Act; or~~

~~—— (b) propane or electricity;~~

~~—— (4) Upon request of a buyer meeting the requirements under Subsection (3), the Division of Air Quality shall issue an exemption certificate that may be shown to a seller.~~

~~—— (5) The special fuel tax shall be paid by the supplier.~~

~~—— (6) (a) The special fuel tax shall be paid by every user who is required by Sections 59-13-303 and 59-13-305 to obtain a special fuel user permit and file special fuel tax reports:~~

~~—— (b) The user shall receive a refundable credit for special fuel taxes paid on purchases which are delivered into vehicles and for which special fuel tax liability is reported.~~

~~—— (7) (a) Except as provided under Subsections (7)(b) and (c), all revenue received by the commission from taxes and license fees under this part shall be deposited daily with the state treasurer and credited to the Transportation Fund.~~

~~—— (b) An appropriation from the Transportation Fund shall be made to the commission to~~

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~~cover expenses incurred in the administration and enforcement of this part and the collection of the special fuel tax.~~

~~—— (c) Five dollars of each special fuel user trip permit fee paid under Section 59-13-303 may be used by the commission as a dedicated credit to cover the costs of electronic credentialing as provided in Section 41-1a-303.~~

~~—— (8) The commission may either collect no tax on special fuel exported from the state or, upon application, refund the tax paid.~~

~~—— (9) (a) The United States government or any of its instrumentalities, this state, or a political subdivision of this state that has purchased special fuel from a supplier or from a retail dealer of special fuel and has paid the tax on the special fuel as provided in this section is entitled to a refund of the tax and may file with the commission for a quarterly refund in a manner prescribed by the commission.~~

~~—— (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the application and refund provided for in Subsection (9)(a).~~

~~—— (10) (a) The purchaser shall pay the tax on diesel fuel or clean fuel purchased for uses under Subsections (2)(b)(i), (iii), (iv), (v), (vi), and (vii) and apply for a refund for the tax paid as provided in Subsection (9) and this Subsection (10).~~

~~—— (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the application and refund for off-highway and nonhighway uses provided under Subsections (2)(b)(iii), (iv), (vi), and (vii).~~

~~—— (c) A refund of tax paid under this part on diesel fuel used for nonhighway agricultural uses shall be made in accordance with the tax return procedures under Section 59-13-202.~~

~~—— (11) (a) Beginning on April 1, 2001, a tax imposed under this section on special fuel is reduced to the extent provided in Subsection (11)(b) if:~~

~~—— (i) the Navajo Nation imposes a tax on the special fuel;~~

~~—— (ii) the tax described in Subsection (11)(a)(i) is imposed without regard to whether the person required to pay the tax is an enrolled member of the Navajo Nation; and~~

~~—— (iii) the commission and the Navajo Nation execute and maintain an agreement as provided in this Subsection (11) for the administration of the reduction of tax.~~

~~—— (b) (i) If but for Subsection (11)(a) the special fuel is subject to a tax imposed by this~~

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section:

~~—— (A) the state shall be paid the difference described in Subsection (11)(b)(ii) if that difference is greater than \$0; and~~

~~—— (B) a person may not require the state to provide a refund, a credit, or similar tax relief if the difference described in Subsection (11)(b)(ii) is less than or equal to \$0.~~

~~—— (ii) The difference described in Subsection (11)(b)(i) is equal to the difference between:~~

~~—— (A) the amount of tax imposed on the special fuel by this section; less~~

~~—— (B) the tax imposed and collected by the Navajo Nation on the special fuel.~~

~~—— (c) For purposes of Subsections (11)(a) and (b), the tax paid to the Navajo Nation on the special fuel does not include any interest or penalties a taxpayer may be required to pay to the Navajo Nation.~~

~~—— (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall make rules governing the procedures for administering the reduction of tax provided under this Subsection (11):~~

~~—— (e) The agreement required under Subsection (11)(a):~~

~~—— (i) may not:~~

~~—— (A) authorize the state to impose a tax in addition to a tax imposed under this chapter;~~

~~—— (B) provide a reduction of taxes greater than or different from the reduction described in this Subsection (11); or~~

~~—— (C) affect the power of the state to establish rates of taxation;~~

~~—— (ii) shall:~~

~~—— (A) be in writing;~~

~~—— (B) be signed by:~~

~~—— (I) the chair of the commission or the chair's designee; and~~

~~—— (II) a person designated by the Navajo Nation that may bind the Navajo Nation;~~

~~—— (C) be conditioned on obtaining any approval required by federal law;~~

~~—— (D) state the effective date of the agreement; and~~

~~—— (E) state any accommodation the Navajo Nation makes related to the construction and maintenance of state highways and other infrastructure within the Utah portion of the Navajo Nation; and~~

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~~—— (iii) may:~~

~~—— (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the Navajo Nation information that is:~~

~~—— (I) contained in a document filed with the commission; and~~

~~—— (II) related to the tax imposed under this section;~~

~~—— (B) provide for maintaining records by the commission or the Navajo Nation; or~~

~~—— (C) provide for inspections or audits of suppliers, distributors, carriers, or retailers located or doing business within the Utah portion of the Navajo Nation.~~

~~—— (f) (i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax imposed on special fuel, any change in the amount of the reduction of taxes under this Subsection (11) as a result of the change in the tax rate is not effective until the first day of the calendar quarter after a 60-day period beginning on the date the commission receives notice:~~

~~—— (A) from the Navajo Nation; and~~

~~—— (B) meeting the requirements of Subsection (11)(f)(ii).~~

~~—— (ii) The notice described in Subsection (11)(f)(i) shall state:~~

~~—— (A) that the Navajo Nation has changed or will change the tax rate of a tax imposed on special fuel;~~

~~—— (B) the effective date of the rate change of the tax described in Subsection (11)(f)(ii)(A); and~~

~~—— (C) the new rate of the tax described in Subsection (11)(f)(ii)(A).~~

~~—— (g) If the agreement required by Subsection (11)(a) terminates, a reduction of tax is not permitted under this Subsection (11) beginning on the first day of the calendar quarter after a 30-day period beginning on the day the agreement terminates:~~

~~—— (h) If there is a conflict between this Subsection (11) and the agreement required by Subsection (11)(a), this Subsection (11) governs.~~

~~—— (12) (a) Beginning on January 1, [2009] 2016, a tax imposed under this section on compressed natural gas is imposed at a reduced rate of [8-1/2] 16 cents per gasoline gallon equivalent to be increased or decreased proportionately with any increase or decrease in the rate in Subsection 59-13-201(1)(a).~~

~~—— (b) Beginning on [July] January 1, [2011] 2016, a tax imposed under this section on liquified natural gas is imposed at a reduced rate of [8-1/2] 16 cents per gasoline gallon~~

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~~equivalent to be increased or decreased proportionately with any increase or decrease in the rate in Subsection 59-13-201(1)(a).~~

~~Section 7. Section 72-2-107 is amended to read:~~

~~†~~ 72-2-107. Appropriation from Transportation Fund -- Deposit in class B and class C roads account.

(1) (a) There is appropriated to the department from the Transportation Fund annually an amount equal to 30% of an amount which the director of finance shall compute in the following manner: The first \$458,000,000 of total revenue deposited into the Transportation Fund during the fiscal year [~~from state highway-user taxes and fees~~], minus:

~~(a)~~ (i) those amounts appropriated or transferred from the Transportation Fund during the same fiscal year to:

~~(+)~~ (A) the Department of Public Safety;

~~(+)~~ (B) the State Tax Commission;

~~(+)~~ (C) the Division of Finance; and

~~(+)~~ (D) the Utah Travel Council; [~~and~~]

~~(+)~~ (ii) any other amounts appropriated or transferred for any other state agencies not a part of the department; and

~~(+)~~ (iii) the amount of sales and use tax revenue deposited in the Transportation Fund in accordance with Section 59-12-103.

(b) There is appropriated to the department from the Transportation Fund annually an amount equal to 40% of the total revenue that exceeds \$458,000,000 ~~minus the amounts described in Subsections (1)(a)(i) through (iii)~~ that is deposited into the Transportation Fund during the fiscal year.

(2) (a) Except as provided in Subsection (2)(b), [~~all of this money~~] the amounts appropriated to the department in Subsections (1)(a) and (b) shall be placed in an account to be known as the class B and class C roads account to be used as provided in this title.

(b) The director of finance shall annually transfer \$500,000 of the amount calculated under Subsection (1)(a) to the department as dedicated credits for the State Park Access Highways Improvement Program created in Section 72-3-207.

(3) Each quarter of every year the director of finance shall make the necessary accounting entries to transfer the money appropriated under this section to the class B and class

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C roads account.

(4) The funds in the class B and class C roads account shall be expended under the direction of the department as the Legislature shall provide.

Section ~~78~~7. Section **72-2-124** is amended to read:

72-2-124. Transportation Investment Fund of 2005.

(1) There is created a capital projects fund entitled the Transportation Investment Fund of 2005.

(2) The fund consists of money generated from the following sources:

(a) any voluntary contributions received for the maintenance, construction, reconstruction, or renovation of state and federal highways;

(b) appropriations made to the fund by the Legislature;

(c) the sales and use tax revenues deposited into the fund in accordance with Section 59-12-103; and

(d) registration fees designated under Section 41-1a-1201.

(3) (a) The fund shall earn interest.

(b) All interest earned on fund money shall be deposited into the fund.

(4) (a) Except as provided in Subsection (4)(b), the executive director may use fund money only to pay:

(i) the costs of maintenance, construction, reconstruction, or renovation to state and federal highways prioritized by the Transportation Commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;

(ii) the costs of maintenance, construction, reconstruction, or renovation to the highway projects described in Subsections 63B-18-401(2), (3), and (4);

(iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401 minus the costs paid from the County of the First Class State Highway Projects Fund in accordance with Subsection 72-2-121(4)(e); and

(iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

(v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101

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for projects prioritized in accordance with Section 72-2-125;

(vi) all highway general obligation bonds that are intended to be paid from revenues in the Centennial Highway Fund created by Section 72-2-118; and

(vii) for fiscal year 2013-14 only, to transfer up to \$13,250,000 to the County of the First Class State Highway Projects Fund created in Section 72-2-121 to be used for the purposes described in Section 72-2-121.

(b) The executive director may use fund money to exchange for an equal or greater amount of federal transportation funds to be used as provided in Subsection (4)(a).

(5) (a) Before bonds authorized by Section 63B-18-401 may be issued in any fiscal year, the department and the commission shall appear before the Executive Appropriations Committee of the Legislature and present the amount of bond proceeds that the department needs to provide funding for the projects identified in Subsections 63B-18-401(2), (3), and (4) for the next fiscal year.

(b) The Executive Appropriations Committee of the Legislature shall review and comment on the amount of bond proceeds needed to fund the projects.

(6) The Division of Finance shall, from money deposited into the fund, transfer the amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by Section 63B-18-401 in the current fiscal year to the appropriate debt service or sinking fund.

(7) For fiscal year 2016-17 only, the Division of Finance shall, from money deposited into the fund, transfer \$2,500,000 to the Clean Fuels and Vehicle Technology Fund created in Section 19-1-403.

Section ~~9~~8. **Study.**

(1) During the 2015 interim, the Transportation Interim Committee of the Legislature shall study the impacts of creating variable registration fees based on a motor vehicle's fuel economy rating.

(2) The designated interim committee shall:

(a) hear reports from the Tax Commission on the implementation requirements for creating variable registration fees based on motor vehicle fuel economy ratings; and

(b) consider any issues that need additional legislative remedies.

Section ~~10~~9. **Effective date.**

(1) Except as provided in Subsection (2), this bill takes effect on May 12, 2015.

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(2) The actions affecting the following sections take effect on January 1, 2016:

(a) Section 41-1a-102;

(b) Section 41-1a-1201;

(c) Section 41-1a-1206;

(d) Section 41-3-301;

(e) Section 41-3-302;

~~{~~ ~~(f) Section 59-13-301;~~

~~}~~ ~~(~~f~~~~g~~~~f~~) Section 72-2-107;~~ and

~~(~~h~~~~g~~) Section 72-2-124.~~

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Legislative Review Note

~~as of 2-18-15 5:05 PM~~

~~Office of Legislative Research and General Counsel}~~