

Department of Finance and Administration

Legislative Impact Statement

Bill: HB2216

Bill Subtitle: TO ALLOW FOR TRANSFER AND REPLACEMENT OF PERMANENT SEMITRAILER REGISTRATION.

Basic Change :

Representative Dotson

Current law provides that the permanent license plate issued for trailers pulled by Class 2 through 8 trucks (commercial trucks) cannot be transferred or replaced. A new tag must be purchased at the regular sixty-five dollar (\$65.00) fee if the owner loses the plate; or if the owner disposes of the trailer to which it is registered, such owner cannot transfer the plate to a newly acquired trailer, but must purchase a new plate at the sixty-five dollar (\$65.00) fee. The bill deletes the provision to prohibit transfer and replacement, which would allow the permanent trailer tag to be transferred to a newly acquired trailer, or replaced for a fee of one dollar (\$1.00).

Revenue Impact :

There would be an estimated loss for the Arkansas Highway and Transportation in registration fees of \$60,700 in fees, if replacement is allowed. It is estimated that one-fourth of the owners of newly registered trailers would have a permanent plate to transfer, if allowed. Based on that estimate, there would be an additional estimated loss of \$113,000, if transfer is allowed. Total estimated loss to the Arkansas Highway and Transportation Department would be \$173,700.

Taxpayer Impact :

Owners of trailers pulled by Class 2 through 8 trucks would be allowed to transfer or replace permanent trailer tags for a fee of one dollar (\$1.00)

Resources Required :

No additional resources required.

Time Required :

Adequate time is provided.

Procedural Changes :

Program the motor vehicle computer system for transfer and replacement of the permanent trailer tag.

Other Comments :

None

Legal Analysis :

HB2216 deletes the language in current law prohibiting the transfer of the permanent registration to other owners or other vehicles, or the ability to obtain a duplicate or substitute license plate for \$1.00.

Owners of semitrailers used in combination with Class Two – Class Eight trucks will be able to buy a permanent registration for \$65.00 and will be able to transfer the registration when they sell or dispose of the trailer. Additionally, the permanent registration can be replaced with a duplicate or substitute license plate upon payment of a \$1.00 fee.

Arkansas law still requires that other trailers drawn by Class One trucks, and all boat trailers and travel trailers drawn by any truck with a load capacity of one ton or less, cannot transfer a permanent registration when they sell or dispose of a trailer; nor can they replace a permanent registration with a duplicate or substitute license plate. The cost of a permanent registration for trailers drawn by Class One trucks is \$36.00.