

State of Arkansas  
91st General Assembly  
Regular Session, 2017

# A Bill

HOUSE BILL 1691

By: Representative Davis

## For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE LICENSING AND REGISTRATION OF COMMERCIAL MOTOR VEHICLES; TO IMPROVE SERVICES AND MODERNIZE THE ARKANSAS MOTOR CARRIER SYSTEM; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

## Subtitle

TO AMEND THE LAW CONCERNING THE LICENSING AND REGISTRATION OF COMMERCIAL MOTOR VEHICLES; TO IMPROVE SERVICES AND MODERNIZE THE ARKANSAS MOTOR CARRIER SYSTEM; AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Legislative findings.

The General Assembly finds that:

(1) The Department of Finance and Administration currently lacks clear authority and specific funding sources to adequately upgrade and modernize the registration process for commercial motor vehicles;

(2) Due to current inefficiencies or technological limitations, commercial motor carriers that would otherwise register their commercial vehicles in the State of Arkansas are deterred from doing so;

(3) The department should develop and implement rules, regulations, and procedures to facilitate an online system for administrative transactions and the registration of commercial motor vehicles that are registered with the International Registration Plan;



(4) The law needs to be clarified to verify that license plates for commercial motor vehicles registered with the International Registration Plan should not be required to display an annual decal or tab;

(5) An enhancement creating an online system for administrative transactions and registration of commercial motor vehicles will facilitate and improve the services available to the commercial motor carrier industry;

(6) Enhancements to the Arkansas Motor Carrier System will make available to the state additional revenues through a user-fee based system to finance the enhancements without requiring a general tax increase; and

(7) Directing the department to develop rules, regulations, and procedures to implement the necessary enhancements and providing a funding mechanism to help offset the costs associated with the system enhancements will accomplish the state's goal of improving services and modernizing the Arkansas Motor Carrier System.

SECTION 2. Arkansas Code § 19-6-301, concerning the enumeration of special revenues, is amended to add an additional subdivision to read as follows:

(255) Fees collected under § 27-14-602(c).

SECTION 3. Arkansas Code § 19-6-459 is amended to read as follows:  
19-6-459. Commercial Driver License Fund.

The Commercial Driver License Fund shall consist of those special revenues as specified in:

(1) § Section 19-6-301(148), there to be used to establish and maintain the Arkansas Commercial Driver License ~~program~~ Program and for other related purposes as required by the ~~Commissioner of Motor Vehicles~~ Director of the Department of Finance and Administration in carrying out the functions, powers, and duties of the Revenue Division of the Department of Finance and Administration, as set out in the Arkansas Uniform Commercial Driver License Act, § 27-23-101 et seq.; and

(2) Section 19-6-301(255), to be used for enhancements to the Arkansas Motor Carrier System under § 27-14-613.

SECTION 4. Arkansas Code § 27-14-305(b), concerning the penalty for using or making unofficial license plates, is amended to read as follows:

(b)(1) It ~~shall be~~ is unlawful for ~~any a~~ a person, firm, or corporation to reproduce, paint, or alter ~~any a~~ a license plate or registration card in this state.

(2) For ~~purposes~~ the purpose of this section, "license plate" means ~~any a~~ a plate designed to be affixed to the rear of a motor vehicle, including without limitation:

(A) ~~Plates~~ A plate advertising a new or used car dealership or other type of business;

(B) A Rental rental car company identification ~~plates~~ plate; or

(C) A Temporary temporary cardboard buyer's ~~tags~~ tag under § 27-14-1705.

(3) For the purpose of this section, "reproduce, paint, or alter a license plate or registration card" does not include the:

(A) Printing of a commercial motor vehicle registration card as authorized under § 27-14-613; or

(B) Affixing of a decal bearing the commercial motor carrier's logo to a commercial motor vehicle's license plate if the decal has been authorized and approved by the director or the director's designee as authorized under § 27-14-613.

SECTION 5. Arkansas Code § 27-14-602, concerning registration fees, is amended to add an additional subsection to read as follows:

(c) Beginning January 1, 2018, in addition to any other fees authorized under this chapter, the Director of the Department of Finance and Administration shall charge a fee for commercial motor vehicles registered with the International Registration Plan in the amount of:

(1) Two dollars (\$2.00) to access the director's portal to register one (1) or more commercial motor vehicles or to conduct one (1) or more online administrative transactions;

(2) Two dollars (\$2.00) upon issuance or renewal of the registration of a commercial motor vehicle of a commercial motor carrier that has been authorized under § 27-14-613(b)(1)(C) to display an approved license plate decal bearing the commercial motor vehicle carrier's logo; and

(3) Five dollars (\$5.00) for each commercial motor vehicle registered in this state as an annual commercial motor vehicle fee.

SECTION 6. Arkansas Code § 27-14-606(a), concerning disposition of registration and license fees, is amended to add an additional subdivision to read as follows:

(4) The fees collected under § 27-14-602(c) shall be deposited into the Commercial Driver License Fund to be used for enhancements to the Arkansas Motor Carrier System.

SECTION 7. Arkansas Code Title 27, Chapter 14, Subchapter 6, is amended to add an additional section to read as follows:

27-14-613. Arkansas Motor Carrier System.

(a) As used in this section:

(1) "Commercial motor carrier" means a person or entity engaged directly or indirectly through an agent, employee, or subcontractor in the interstate transportation of property by a commercial motor vehicle; and

(2) "Commercial motor vehicle" means a truck, truck trailer, trailer, semitrailer, or pole trailer registered with the International Registration Plan.

(b)(1) The Director of the Department of Finance and Administration shall promulgate rules, regulations, and procedures to enhance the Arkansas Motor Carrier System developed by the Department of Finance and Administration by allowing:

(A) A commercial motor carrier or its designee to conduct routine administrative transactions electronically, including without limitation the online:

(i) Registration of a commercial motor vehicle;

(ii) Renewal, transfer, replacement, and amendment of the registration of a commercial motor vehicle; and

(iii) Issuance and replacement of a commercial motor vehicle's license plates and decals;

(B) A commercial motor carrier or its designee to instantaneously print the registration card for a commercial motor vehicle;

(C) A commercial motor carrier or its designee to obtain and affix to a commercial motor vehicle license plate a decal bearing the logo of the commercial motor carrier approved by the director or the director's designee; and

(D) A commercial motor carrier or its designee to maintain license plate inventories and issue license plates; and

(2)(A) A commercial motor carrier shall have thirty (30) days from the date of online commercial motor vehicle registration to submit to the department all required source documents associated with the registration.

(B) If the department has not received the source documents required under subdivision (b)(2)(A) of this section within thirty (30) days of the online registration of a commercial motor vehicle, the director or the director's designee may suspend the registration.

(c) The director shall study, develop, and implement improvements to the Arkansas Motor Carrier System in order to modernize and enhance the Arkansas Motor Carrier System and accommodate the latest available technology for commercial motor carriers seeking to register commercial motor vehicles in the State of Arkansas.

SECTION 8. Arkansas Code § 27-14-1005, concerning the failure to affix or display license plates, is amended to read as follows:

27-14-1005. Failure to affix or display license plates, etc.

(a)(1) The failure of the motor vehicle owner to affix and display the permanent license plates, the tab or decal, or the registration card, in the places designated by the Director of the Department of Finance and Administration, shall be a misdemeanor subject to the penalties provided by § 27-14-301.

(2) The owner of a commercial motor vehicle registered with the International Registration Plan is not required to affix or display a tab or decal on a commercial motor vehicle's license plate.

SECTION 9. Arkansas Code § 27-14-1018(a), concerning issuance of annual tab or decal, is amended to read as follows:

(a) In conjunction with the permanent license plate for a motor vehicle other than a commercial motor vehicle registered with the International Registration Plan, the Director of the Department of Finance and Administration shall issue a tab or decal annually or, when appropriate, to each qualified applicant as evidence of the annual payment of license fees.

SECTION 10. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the present system for registering commercial motor vehicles is inconvenient, expensive, unduly time-consuming, and lacks the software capabilities offered by comparable systems in other states to facilitate the registration process electronically. In order to make the Arkansas Motor Carrier System operational on or before January 1, 2018 as required by this act, the Department of Finance and Administration must be authorized to immediately commence planning, programming, and promulgating the necessary rules, regulations, and procedures pertaining to the necessary system enhancements. These enhancements are estimated to take more than six (6) months to complete. Moreover, due to the lack of clarity in current law, commercial motor carriers currently face potential unwarranted liability for acts or omissions involving license plates and registrations. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

- (1) The date of its approval by the Governor;
- (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or
- (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

**APPROVED: 03/20/2017**