REFERENCE TITLE: vehicle registration; legal presence required

State of Arizona House of Representatives Forty-eighth Legislature First Regular Session 2007

## HB 2063

Introduced by Representative Pearce

## AN ACT

AMENDING SECTIONS 28-2052, 28-2057, 28-2153, 28-2154, 28-2155, 28-2156, 28-2157, 28-2202 AND 28-2208, ARIZONA REVISED STATUTES; RELATING TO VEHICLE REGISTRATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-2052, Arizona Revised Statutes, is amended to 3 read:

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28-2052. <u>Title and registration of foreign vehicles</u>

A. Except as provided in subsection E of this section, the owner of a foreign vehicle that has been registered in another state or country and for which an application for a certificate of title is made shall surrender to the department the license plates assigned to the vehicle, the registration card, the certificate of title, the certificate of ownership or other evidence of foreign registration and satisfactory evidence of ownership showing that the applicant is the lawful owner or possessor of the vehicle.

12 B. If in the course of interstate operation of a vehicle registered in 13 another state or country it is desirable to retain registration of the 14 vehicle in the other state or country, the applicant need not follow the 15 requirements of subsection A of this section but shall submit evidence of the 16 foreign registration and ownership for inspection. The department shall 17 register the vehicle on a proper showing of evidence of registration IF THE 18 OWNER IS LEGALLY PRESENT IN THIS STATE but shall not issue a certificate of 19 title for the vehicle.

C. The department shall inspect a foreign vehicle before titling or registration, including examination and inspection to establish compliance with section 28-955, under conditions and standards as required by the director of environmental quality. The department may establish procedures to accept vehicle inspections completed in another state.

D. Before the department issues a certificate of title to a vehicle imported into this country, the owner shall obtain a certificate of compliance that states that the vehicle meets all federal vehicle equipment and emissions equipment requirements. This subsection does not apply to a golf cart manufactured or modified before June 17, 1998 or neighborhood electric vehicle manufactured or modified before June 17, 1998.

31 E. The department may establish procedures to accept evidence that the 32 certificate of title or certificate of ownership has been voided or destroyed 33 by another state.

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Sec. 2. Section 28-2057, Arizona Revised Statutes, is amended to read: 28-2057. <u>Registration without certificate of title or bond;</u> <u>receipt; fee</u>

A. If the department is not satisfied as to the ownership of the vehicle or is not satisfied that there are no undisclosed security interests in the vehicle, the department may register a vehicle but shall either:

40 1. Withhold issuance of a certificate of title until the applicant 41 presents documents reasonably sufficient to satisfy the department as to the 42 applicant's ownership of the vehicle and that there are no undisclosed 43 security interests in the vehicle. 1 2. As a condition of issuing a certificate of title, require the 2 applicant to file a bond with the department as prescribed in subsection B of 3 this section.

4 The department shall prescribe the form of the bond required by Β. 5 subsection A of this section. The applicant shall execute the bond and either accompany it with the deposit of cash or have a person authorized to 6 7 conduct a surety business in this state also execute the bond. The bond 8 shall be in an amount equal to one and one-half times the value of the 9 vehicle as determined by the department and conditioned to indemnify any prior owner and lienholder and any subsequent purchaser of the vehicle or 10 11 person acquiring any security interest in it and their respective successors in interest against any expense, loss or damage, including reasonable 12 13 attorney fees, by reason of the issuance of the certificate of title of the 14 vehicle or on account of any defect in or undisclosed security interest on 15 the right, title and interest of the applicant in and to the vehicle.

16 C. An interested person has a right of action to recover on the bond 17 for any breach of its condition. The aggregate liability of the surety to 18 all persons shall not exceed the amount of the bond.

D. The bond and any deposit accompanying it shall be returned at the end of three years or prior to the end of three years if the vehicle is no longer registered in this state and the currently valid certificate of title is surrendered to the department, unless the department has been notified of the pendency of an action to recover on the bond.

24 E. If the applicant IS LEGALLY PRESENT IN THIS STATE AND does not have 25 the original certificate of title because the certificate of title is held by a lender located outside this state and if the applicant presents documents 26 27 to the department sufficient in the judgment of the department to establish 28 ownership of the vehicle, the department may register the vehicle and issue a 29 receipt in lieu of the certificate of title provided by section 28-2052. The 30 fee for the receipt is equal to the fee prescribed for a certificate of title 31 pursuant to section 28-2003.

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Sec. 3. Section 28-2153, Arizona Revised Statutes, is amended to read: 28-2153. <u>Registration requirement; exceptions; assessment;</u> violation; classification

A. A person shall not operate, move or leave standing on a highway a motor vehicle, trailer or semitrailer unless the motor vehicle, trailer or semitrailer has been registered with the department for the current registration year or is properly registered for the current registration year by the state or country of which the owner or lessee is a resident. ONLY A PERSON WHO IS LEGALLY PRESENT IN THIS STATE MAY REGISTER A MOTOR VEHICLE, TRAILER OR SEMITRAILER IN THIS STATE.

42 B. A resident shall not operate, move or leave standing on a highway a 43 motor vehicle, trailer or semitrailer that is:

Owned by a nonresident and that is primarily under the control of a
 resident of this state for more than seven months unless the motor vehicle,

1 trailer or semitrailer has been registered with the department for the 2 current registration year.

2. Leased by the resident for more than twenty-nine days unless the motor vehicle, trailer or semitrailer has been registered with the department for the current registration year.

6 C. This section applies to a trailer or semitrailer without motive 7 power unless the vehicle is disabled or is being towed as an abandoned 8 vehicle at the direction of a law enforcement agency.

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D. This section does not apply to:

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1. A farm tractor.

11 2. A trailer used solely in the operation of a farm for transporting 12 the unprocessed fiber or forage products of a farm or any implement of 13 husbandry designed primarily for or used in agricultural operations and only 14 incidentally operated or moved on a highway.

15 3. A road roller or road machinery, including a power sweeper, that is 16 temporarily operating or moved on the highway.

An owner permitted to operate a vehicle under special provisions
 relating to lienholders, manufacturers, dealers and nonresidents.

19 5. Motorized or nonmotorized equipment designed primarily for and used 20 in mining operations and only incidentally operated or moved on a highway.

6. A motor vehicle that is being towed by a tow truck that has been
registered and for which a permit has been obtained pursuant to section
28-1108.

7. A golf cart used in the operation of a golf course or onlyincidentally operated or moved on a highway.

26 8. Wheeled equipment. For the purposes of this paragraph, "wheeled 27 equipment" means:

- 28 (a) A compressor.
- 29 (b) A forklift.
  - (c) A portable cement mixer.

(d) A single axle tow dolly as defined in section 28-1095.

32 (e) A tar pot.

33 (f) A water trailer used for watering livestock or for agricultural or 34 domestic purposes.

35 (g) A welder.

36 (h) Any other similar item designed and used primarily for 37 construction or building trade purposes.

9. An all-terrain vehicle or an off-road recreational motor vehicle operating on a dirt road that is located in an unincorporated area of this state. For the purposes of this paragraph, "dirt road" means an unpaved or ungraveled road that is not maintained by this state or a city, town or county of this state.

43 10. A person operating an off-highway vehicle who is participating in
44 an off-highway vehicle special event as defined in section 28-1171.

E. A person who owns or operates a trailer that is exempt from registration pursuant to subsection D, paragraph 2 of this section shall notify the county assessor of the exemption, and the assessor shall assess the trailer.

5 F. A person who violates subsection E of this section is guilty of a 6 class 2 misdemeanor.

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Sec. 4. Section 28-2154, Arizona Revised Statutes, is amended to read: 28-2154. <u>Special registrations</u>

9 A. A nonresident WHO IS LEGALLY PRESENT IN THIS STATE AND who purchases an unregistered vehicle in this state for removal to the state of 10 11 residence of the purchaser shall obtain a special ninety day nonresident The nonresident shall obtain the 12 registration permit for the vehicle. 13 special ninety day nonresident registration permit by applying to the 14 department, to an authorized third party or to a motor vehicle dealer as 15 defined in section 28-4301 and by paying the fees prescribed by section 16 28-2003. An affidavit in a form prescribed by the director shall accompany 17 the application and shall contain the following statements:

18 1. The purchaser is not a resident of this state as defined in section 19 28-2001. For the purposes of this section and section 28-2154.01, the 20 purchaser shall present to the department, an authorized third party or a 21 motor vehicle dealer a driver license or other evidence prescribed by the 22 director showing that the purchaser is not a resident of this state.

23 2. The vehicle is purchased to be registered out of state within 24 ninety days after the issuance of the special ninety day nonresident 25 registration permit.

26 3. The vehicle is not purchased for transfer to a resident of this 27 state.

4. The purchaser is liable for any tax, penalty and interest that is due under title 42, chapter 5 if the purchaser registers the vehicle in this state within three hundred sixty-five days after the issuance of the special ninety day nonresident registration permit.

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5. Other information that the director deems necessary.

33 B. At the time of application for a special ninety day nonresident registration permit, the purchaser shall submit for inspection proper 34 35 evidence of ownership of the vehicle to be registered. The special ninety day nonresident registration permit is valid for not more than ninety days 36 37 from the date of issuance and shall be in the form prescribed by the 38 director. A person who obtains a special ninety day nonresident registration 39 permit on a semitrailer that has been manufactured in this state may use the 40 semitrailer for commercial purposes if the semitrailer is being used to 41 transport goods from this state, subject to the payment of any taxes 42 prescribed by this title.

43 C. An enrolled member of an Indian tribe who resides on the Indian 44 reservation established for that tribe and who purchases an unregistered 45 vehicle in this state for removal to the Indian reservation shall obtain a special ninety day nonresident registration permit for the vehicle. The member may obtain the special ninety day nonresident registration permit by applying to the department, to an authorized third party or to any motor vehicle dealer as defined by section 28-4301 and by payment of the fees prescribed by section 28-2003.

A resident WHO IS LEGALLY PRESENT IN THIS STATE AND who does not 6 D. 7 have complete documentation for issuance of an Arizona title and registration 8 on a noncommercial vehicle but who has established ownership of the vehicle 9 to the satisfaction of the department may receive a special ninety day resident registration by applying and paying the fee prescribed by section 10 11 28-2003 to the department. The basis of assessment for the full annual 12 registration fee and vehicle license tax relates back to the date of issuance 13 of the first special ninety day resident registration.

14 E. A resident may receive a second consecutive special ninety day 15 resident registration on application and payment of the fee prescribed by 16 section 28-2003 if:

17 1. The person has applied for a bonded title and the title has not 18 been issued during the first ninety day registration.

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The person is awaiting settlement of an estate.
 The person is awaiting lien clearance.

3. The person is awaiting lien clearance.
 4. The person is awaiting a hearing decision as a result of a title complaint.

5. The person is awaiting the issuance of honorary consular official
 special license plates.

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6. The director determines other circumstances justify the issuance.

F. At the discretion of the director, a resident may receive more than two consecutive special ninety day resident registrations for a vehicle in a twelve month period.

G. If there is a judgment against a resident of this state in another state that requires suspension of the resident's vehicle registration, in lieu of suspension of the resident's vehicle registration the department may ssue a special temporary registration for the resident's vehicle that is valid for a period of not more than one hundred eighty days.

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Sec. 5. Section 28-2155, Arizona Revised Statutes, is amended to read: 28-2155. <u>One trip registration permit</u>

A. The department may issue a one trip registration permit that allows a person WHO IS LEGALLY PRESENT IN THIS STATE to operate an unregistered vehicle or a vehicle with a suspended registration from a specified origin to a specified destination.

40 B. The one trip registration permit is valid only for the following 41 purposes:

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- Vehicle emissions inspection.
- 43 2. Registration or titling.

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3. Vehicle inspection by the registering officer.

4. Vehicle repair to comply with an emissions inspection or inspection
 by the registering officer.

C. A person operating a vehicle with a one trip registration permit shall comply with the mandatory motor vehicle insurance requirements of this state prescribed in chapter 9 of this title.

D. The department shall prescribe the content and form of the one trip registration permit. The owner or operator of the vehicle shall display the one trip registration permit so that it is clearly visible from outside the vehicle.

E. The registering officer shall not issue more than three one trip registration permits for a vehicle in a twelve month period. The registering officer shall issue a one trip registration permit for not more than three days, excluding weekends and holidays.

F. The fee for the one trip registration permit is prescribed in section 28-2003. The department shall deposit the fee in the state highway fund established by section 28-6991.

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Sec. 6. Section 28-2156, Arizona Revised Statutes, is amended to read: 28-2156. <u>Temporary general use registration</u>

A. In lieu of permanent registration, the department may issue a temporary general use registration that allows a person to operate a vehicle for no more than thirty days.

B. The director may authorize issuance of this temporary registration
if the person does not qualify for registration under section 28-2154 or
28-2292 or article 10 of this chapter AND IF THE PERSON IS LEGALLY PRESENT IN
THIS STATE.

C. A person operating a vehicle with a temporary general use registration shall comply with the mandatory motor vehicle insurance requirements of this state prescribed in chapter 9, article 4 of this title.

D. The department shall prescribe the content and form of the temporary general use registration application. The owner or operator of the vehicle shall display the temporary general use registration so that it is clearly visible from outside the vehicle.

E. The registering officer shall not issue more than one temporary general use registration for a vehicle in a twelve month period.

F. At the time of application for a temporary general use registration, the applicant shall submit for inspection proper evidence of ownership or authorized possession of the vehicle.

G. The fee for the temporary general use registration is as prescribed in section 28-2003. The registering officer shall deposit one dollar of the fee in the county assessor's special registration fund established by section 28-2005 if the assessor is the registering officer or in the state highway fund established by section 28-6991 if the director is the registering officer.

1 Sec. 7. Section 28-2157, Arizona Revised Statutes, is amended to read: 2 28-2157. Application for registration 3 A. A person shall apply to the department for registration of a motor 4 vehicle, trailer or semitrailer on forms prescribed or authorized by the 5 department. 6 B. The application shall contain: 7 1. The name and complete residence address of the owner. 2. A description of the vehicle, including the serial number. 8 9 3. If it is a new vehicle, the date of sale by the manufacturer or 10 dealer to the person first operating the vehicle. 11 4. If the owner of the vehicle rents or intends to rent the vehicle 12 without a driver, a statement of that fact. 13 5. PROOF THAT THE APPLICANT IS LEGALLY PRESENT IN THIS STATE. 14 5. 6. Other facts required by the department. 15 The registering officer shall indicate on the face of the C. 16 registration application that the registrant may be subject to vehicle 17 emissions testing requirements pursuant to section 49-542. D. On request of an applicant, the department shall allow the 18 19 applicant to provide on the registration of a motor vehicle, trailer or 20 semitrailer a post office box address that is regularly used by the applicant 21 and that is located in the county in which the applicant resides. 22 E. The person shall include with the application the required fees and 23 the certificate of title to the vehicle for which registration is sought. 24 The registering officer may waive the requirement that the applicant present 25 a certificate of title at the time of making an application for renewal if 26 the registering officer has available complete and sufficient records to 27 accurately compute the vehicle license tax. 28 F. The department may request an applicant who appears in person to 29 register a motor vehicle, trailer or semitrailer to complete satisfactorily 30 the vision screening test prescribed by the department. 31 G. A person applying for initial registration of a neighborhood 32 electric vehicle shall certify in writing that a notice of the operational 33 restrictions applying to the vehicle as provided in section 28-966 are 34 contained on a permanent notice attached to or painted on the vehicle in a 35 location that is in clear view of the driver. 36 Sec. 8. Section 28-2202, Arizona Revised Statutes, is amended to read: 37 28-2202. Fleet registration; requirements 38 A. In lieu of the staggered vehicle registration requirements of 39 section 28-2159, a person WHO IS LEGALLY PRESENT IN THIS STATE may register a 40 fleet on an annual basis so that the registration for all vehicles in the 41 fleet expires in the same month. 42 B. The director shall approve the request for fleet registration if 43 the applicant, at least thirty days before the registration date: 44 1. Provides an application containing information necessary for 45 qualification as a fleet registrant.

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Provides a list of all vehicles to be included in the fleet.
 Sec. 9. Section 28-2208, Arizona Revised Statutes, is amended to read:
 28-2208. <u>Fleet utility trailers: five year registration:</u>

## <u>definition</u>

A. In lieu of annual registration, the director shall provide for the registration of fleet utility trailers for five year periods on proper application by the owner of the trailers. The owner is subject to all fees and license taxes imposed by this title and shall pay the fees and taxes as if the trailers were registered annually. THE OWNER MUST BE LEGALLY PRESENT IN THIS STATE.

B. An application for registration of fleet utility trailers for a five year period shall contain a proportional number of the trailers equal to the average number and the assessed value of the trailers operated in or through this state during the preceding calendar year.

15 C. The director shall require the owner of fleet utility trailers 16 registered pursuant to this section to annually file on a form to be supplied 17 by the department for each of the ensuing four years information the director 18 deems necessary for the computation of the average number and assessed value 19 of the trailers operated in and through this state during the preceding 20 calendar year. If in any year subsequent to the first year of registration 21 the average number or assessed value of the trailers increases, the director may require the owner to register additional trailers for the remainder of 22 23 the five year period.

D. The director may cancel at any time any or all of the license plates and registration cards issued to the owner of fleet utility trailers registered pursuant to this section for nonpayment of registration fees or license taxes or for noncompliance with subsection C.

E. For the purposes of this section, "fleet utility trailer" means a trailer of a utility trailer fleet consisting of two hundred fifty or more trailers with a gross weight of less than six thousand pounds.