# MAINE STATE LEGISLATURE

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	(EMERGENCY) (New Draft of H.P. 1444, L.D. 18	389)
	SECOND REGULAR SESSION	
C	NE HUNDRED AND ELEVENTH LEGISLAT	TURE
Legislative	ocument	No. 241
H.P. 1819	House of Representa	tives, April 3, 198
printed under Original	by the Majority from the Committee on Tran Joint Rule 2. bill presented by Representative Carroll of Lin by Representative Strout of Corinth.	_
	EDWI	N H. PERT, Clerl
	STATE OF MAINE	
	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-FOU	JR
A	N ACT to Amend Certain Motor Veh Laws.	nicle
lature d	ency preamble. Whereas, Acts of one of the come effective until Some the come effective until Some the come of the company of	00 days after
ruled th	as, the Kennebec County Superior at the slogan on Maine vehicle not an official component of the; and	registration
idents o plate slo	as, the Legislature did not inte the State develop their own gans which would create signifi nreaten the welfare and safety o	registration cant confu-

Whereas, there are serious problems with the state's retaliatory tax on motor vehicles registered in other states which discriminate against Maine vehicles; and

Whereas, it is necessary as soon as possible to foster equal treatment of Maine registered vehicles traveling in other states with treatment of vehicles registered in other states and traveling in Maine, particularly prior to the commencement of the tourist season; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

- Be it enacted by the People of the State of Maine as follows:
- 19 Sec. 1. 5 MRSA §10051, sub-§1, as amended by PL 20 1983, c. 171, §3, is further amended to read:
  - 1. Jurisdiction. Except as provided in section 10004; Title 297 chapter 17; Title 32, chapter 59; and Title 35, section 13-A, the Administrative Court shall have exclusive jurisdiction upon complaint of any agency or, if the licensing agency fails or refuses to act within a reasonable time, upon complaint of the Attorney General to revoke or suspend licenses issued by the agency and shall have original jurisdiction upon complaint of an agency to determine whether renewal or reissuance of a license of that agency may be refused.
- 32 Sec. 2. 15 MRSA §3103, sub-§1, ¶F, as enacted by 33 PL 1981, c. 679, §5, is amended to read:
  - F. The criminal violation of operating a motor vehicle under the influence of intoxicating liquor or drugs or with an excessive blood-alcohol level, as defined in Title 29, section 1312-B or operating a motor vehicle while the right to operate is revoked, as defined in Title 29, section 2298.

- 1 Sec. 3. 29 MRSA §1, sub-§3-F, as enacted by PL
  2 1983, c. 94, Pt. B, §1, is repealed.
- 3 Sec. 4. 29 MRSA §1, sub-§3-F, as enacted by PL 1983, c. 455, §1, is reallocated to be 29 MRSA §1, sub-§3-G.
- 6 Sec. 5. 29 MRSA §246, 2nd ¶, as repealed and re-7 placed by PL 1983, c. 94, Pt. C, §5, is amended to 8 read:

For such owners of commercial vehicles, which are

registered for a gross weight of 23,001 pounds or more, that attest their vehicle is and shall only be operated in the power unit semitrailer configuration a credit of \$40 shall be allowed for the original annual registration and shall be issued a commercial tractor registration plate to be displayed on the front of the vehicle.

- 17 Sec. 6. 29 MRSA §246, last ¶, as enacted by PL 18 1983, c. 265, is repealed.
- Sec. 7. 29 MRSA §342, 3rd ¶, as repealed and replaced by PL 1979, c. 663, §168, is repealed and the following enacted in its place:
- Failure of a dealer to obtain this license is a Class E crime.
- Sec. 8. 29 MRSA §347, as amended by PL 1981, c. 456, Pt. A, §91, is further amended by adding at the end a new paragraph to read:
- Failure to comply with the provisions of this section is a Class E crime.
  - 29 Sec. 9. 29 MRSA §348-A, sub-§3 is enacted to 30 read:
  - 31 3. Penalty. Failure to comply with the provi-32 sions of this section is a Class E crime.
  - 33 Sec. 10. 29 MRSA §350-A, sub-§1, as enacted by 34 PL 1977, c. 694, §497, is amended to read:

- 1 l. <u>Grounds.</u> A motor vehicle dealer's license may 2 be denied, suspended er, revoked, en <u>or placed on</u> 3 <u>probation for</u> any one or more of the following 4 grounds violations:
- 5 A. Material misstatement in application for li-6 cense;
- 7 B. Failure to comply with any provision of this 8 subchapter or any lawful rule provisions of Title 9 17-A or Title 29, or any rules adopted by the 10 Secretary of State deemed to be sufficient evidence by the Secretary of State as they relate to 12 the sales or service of motor vehicles;
- C. Being a motor vehicle dealer, trailer or semitrailer dealer, failure to have an established place of business as defined in this subchapter;
- D. Failure to notify the Secretary of State in writing 30 days prior to moving location;
- 19 E. Defrauding any retail buyer to the buyer's 20 damage or any other person in the conduct of the 21 licensee's business;
- F. Having been convicted of any fraudulent act in connection with the business of selling motor vehicles;
- 25 G. Any violation of Title 5, sections 206 -- 26 212, Unfair Trade Practices Act, or violation of Title 17, section 3203;
- 28 H. Has submitted a check, draft or money order 29 to the Secretary of State for any obligation or 30 fee due the State and it is thereafter dishonored 31 or refused upon presentation;

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I. Certification by the State Tax Assessor that any tax, other than property tax, assessed and deemed final under Title 36, remains unpaid in an amount exceeding \$1,000 for a period greater than 60 days after the licensee or applicant has received notice of the finality of the tax and that the licensee or applicant has refused to cooper-

- ate with the Bureau of Taxation in establishing and remaining in compliance with a reasonable plan for liquidating that liability;
- J. Failure to appear at a hearing required by the Secretary of State; or
- 6 K. Failure to comply or to maintain compliance 7 with section 832.
- 8 Sec. 11. 29 MRSA §381, 3rd ¶, as amended by PL 1971, c. 360, §21, is repealed and the following enacted in its place:

Unless otherwise provided by law, with respect to all motor vehicles, a registration plate shall be attached to the front and a registration plate shall be attached to the rear of each vehicle. The registration plates, including the numbers, letters and words as defined in section 110, shall always be plainly visible. With respect to trailers and semitrailers, a registration plate with numbers, letters and words as defined in section 110, shall be attached to the rear and shall be always plainly visible. All registration plates shall be maintained reasonably clean and the numbers, letters and words shall be legible.

Sec. 12. 29 MRSA  $\S 992$ , first  $\P$  is amended to read:

Whenever any highway has been divided into 2 roadways by leaving an intervening space or by a physical barrier or clearly indicated dividing section so constructed as to impede vehicular traffic, every vehicle shall be driven only upon the right-hand roadway and no a vehicle shall not be driven over, across or within any such dividing space, barrier or section, except through an opening in such physical barrier or dividing section or space or at a crossover or intersection established by public authority including any opening or crossover of any such dividing space, barrier or section. No person may disobey the restrictions on official signs at any opening or crossover of any such dividing space, barrier or section.

40 Sec. 13. 29 MRSA §1313, as amended by PL 1983, 41 c. 455, §23, is further amended to read:

# §1313. Homicide; revocation of license

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The license, permit or right to operate of any person, who, as a result of his operation of a motor vehicle in such a manner as to cause the death of any person, is convicted of a criminal homicide, or attempt thereof, or is adjudicated to have committed a juvenile offense of criminal homicide, or attempt thereof, shall be revoked immediately by the Secretary of State upon receipt of an attested copy of the court records, without further hearing. In case of an appeal, the license, permit or right to operate shall be revoked during the course of the appeal unless the trial court shall otherwise order. son whose license, permit or right to operate a motor vehicle has been so revoked may be licensed again or permitted to operate a motor vehicle for a period of 5 years from the time the license, permit or right to operate is revoked. For the purposes of this section and section 1312, a person shall be deemed to have been convicted if he pleaded guilty or nolo contendere or was otherwise adjudged or found guilty by a court of competent jurisdiction or in the case of a juvenile offender, a juvenile shall be deemed to have been adjudicated if he admits or was otherwise adjudged or found to have committed the juvenile offense by a court of competent jurisdiction.

- Sec. 14. 29 MRSA §1652, sub-§4, ¶A, as amended by PL 1979, c. 595, is further amended to read:
  - A. Every truck, tractor, truck tractor, trailer and semitrailer shall be equipped with adequate brakes acting on all wheels of all axles, except that:
    - (1) Any truck, tractor or truck tractor having 3 or more axles need not have brakes on the front wheels except when any such vehicle is equipped with 2 or more steerable axles the wheels of one such axle need not be equipped with brakes;
    - (2) Any trailer or semitrailer not exceeding a gross weight of 3,000 pounds;
    - (3) Any vehicle towed by use of a wrecker;

(4) Any vehicle meeting braking requirements of the motor carrier safety regulations of the U.S. Department of Transportation shall be considered adequate;

- (5) Semitrailers designed and used exclusively for the dispensing of cable from reels attached thereto, commonly called reel trailers, and semitrailers designed and used exclusively to support the end of poles while being transported, commonly called pole dollies, with a gross weight of that semitrailer and load not to exceed 12,000 pounds shall be excluded from the provisions of this subsection until the 1985 registration year; and
- (6) A dolly axle, so-called, on a farm truck transporting agricultural products and supplies on public ways while engaged in agricultural activities, providing such an axle shall not be considered in determining the legal gross weight or axle limits permitted on the vehicle. A 2-axle or 3-axle farm truck equipped with such an axle shall, for all weight proposed, be considered a 2-axle or 3-axle vehicle.
- 26 Sec. 15. 29 MRSA §1655, 4th ¶, as amended by PL 1977, c. 564, §107, is repealed.
- 28 Sec. 16. 29 MRSA §1655, 5th ¶, as enacted by PL 29 1983, c. 94, Pt. B, §17, is amended to read:

Starting March 1, 1984, or when the annual registration certificate for the 1984 registration year is obtained, whichever occurs first, the tolerances provided in this section shall only apply to those vehicles for which a special commodity permit has been issued and only when actively engaged in the transportation of those commodities. Commodity permits shall be valid only when issued to a vehicle which is currently registered for the maximum legal weight allowed that vehicle under section 1652 or is fully registered in its home jurisdiction. Vehicles owned and operated by government agencies are exempt from this requirement.

- Sec. 17. 29 MRSA §2183, as amended by PL 1975, c. 731, §62, is repealed and the following enacted in its place:
  - §2183. Improper plates

- No person may attach or permit to be attached to a vehicle, a registration plate assigned to another vehicle. No person may obscure or permit to be obscured the numbers, letters or words on any registration plate as described in section 110. All vehicle registration plates, as described in this section shall always be properly displayed.
- 12 Whoever violates this section shall be guilty of 13 a Class E crime.
- - 2. Formal agreements. The Secretary of State, after determining that like privileges are granted by a state or province, shall enter into a written agreement with that state or province setting forth the conditions under which residents of that jurisdiction engaged in interstate commerce operations in and through this State shall be exempt from the registration and licensing laws of this State.
    - Notwithstanding any other provisions of the law, the Secretary of State with the advice and assistance of the Commissioner of Finance and Administration and the Commissioner of the Transportation, may levy and enforce like or similar taxes or fees against similar vehicles registered in jurisdictions that levy and enforce taxes or fees other than fuel taxes, fuel tax license fees and public utility fees against vehicles registered in the State.
- 33 Sec. 19. 29 MRSA §2243-C is enacted to read:
- 34 §2243-C. Reciprocal taxes or fees on classes of mo-35 tor vehicles; rules; revenue; violations
- So long as another jurisdiction imposes a tax or fee on a class of motor vehicles registered in Maine and traveling in that jurisdiction and that tax or

- 1 fee is additional to those imposed by Maine upon the 2 same class of motor vehicles not registered in such 3 jurisdiction, the Secretary of State, Commissioner of Finance and Administration and Commissioner of Trans-4 5 portation acting together shall levy the same or substantially the same tax or fee upon the same class of 6 motor vehicles registered in that jurisdiction and 8 traveling in Maine.
  - The Secretary of State, Commissioner of Finance and Administration and Commissioner of Transportation shall jointly promulgate rules for collection of taxes or fees due pursuant to this section, for enforcement of that collection and for otherwise carrying out the purposes of this section. The Secretary of State shall monitor taxes and fees assessed against Maine-registered motor vehicles by other jurisdictions, in order to ensure comparable treatment of foreign-registered motor vehicles traveling in Maine.
- 20 Any revenue derived from taxes or fees 21 pursuant to this section shall accrue to the Highway 2.2 Fund.
- 23 Any person who fails to pay a tax or fee due pursuant to this section shall be guilty of 2.4 Class crime. 25
- 26 Sec. 20. 29 MRSA §2361, as amended by PL 1975, 27 c. 745, §15, is further amended to read:

#### 28 §2361. Certificate of origin

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When a new vehicle is delivered in this State by the manufacturer to his agent or his franchised dealer, the manufacturer shall execute and deliver to his agent or his franchised dealer a certificate of origin in the form prescribed by the Secretary of State, and no person shall may bring into this State any new vehicle, unless he has in his possession the certificate of origin as prescribed by the Secretary State. The certificate of origin shall contain the manufacturer's vehicle identification number of motor vehicle, the name of the manufacturer, number of cylinders, a general description of the body, any, the model year designation and the type of model. When a new vehicle is sold in this State, the manufacturer, his agent or his franchised dealer shall execute and deliver to the purchaser, in case of an absolute sale, assignment of the certificate of origin or, if other than absolute sale, assignment of the certificate of origin subject to contract, signed or executed by the manufacturer, his agent or his dealer, with the genuine names and business or residence addresses of both stated thereon, and certified to have been executed with full knowledge of the contents and with the consent of both purchaser and seller. Failure to comply with the provisions of this section shall constitute a Class E crime.

- Sec. 21. 29 MRSA §2364 sub-§2, as amended by PL 1981, c. 437, §23, is repealed and the following enacted in its place:
- 2. Purchased from the dealer. If the application refers to a vehicle purchased from a dealer, it shall contain the name and address of any lienholder or assignee holding a security interest created or reserved at the time of sale and the date of his security agreement and be signed by the owner and the dealer. If there is no lienholder or assignee, the dealer shall, within 20 days after the time of sale, mail or deliver the application to the Secretary of State. If there is a security interest created or reserved at the time of sale, the dealer shall, within 10 days after the time of sale, mail or deliver the original application to the lienholder or assignee. The lienholder or assignee shall mail or deliver that original application to the Secretary of within 10 days after receiving it from the dealer.
- Sec. 22. 29 MRSA §2371, sub-§3, as amended by PL
  1981, c. 110, §27, is further amended to read:
- 3. Original surrendered. A person recovering an original certificate of title or certificate of salvage for which a duplicate has been issued shall promptly surrender the original certificate to the Secretary of State. Failure to comply with this requirement shall be constitute a misdemeaner Class E crime.

Sec. 23. 29 MRSA §2373, as amended by PL 1981, c. 437, §24, is repealed and the following enacted in its place:

#### §2373. Resale by dealer

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If a dealer displays or holds a vehicle for resale and procures the certificate of title or certificate of salvage from the owner or the lienholder within 10 days after delivery to him of the vehicle, he need not send the certificate to the Secretary of State but, upon transferring the vehicle to another person other than by the creation of a security interest, shall, within 20 days of the date of the transfer, execute the assignment and warranty of title by a dealer, showing the names and addresses of the transferee and of the lienholder holding a security interest created or reserved at the time of the resale and the date of his security agreement, in the spaces provided therefor on the certificate or as the Secretary of State prescribes, and mail or deliver the certificate to the Secretary of State. If a curity interest is created or reserved at the time of the transfer, the dealer shall mail or deliver the certificate to the lienholder or assignee within 10 days of the transfer. The lienholder or assignee shall, within 20 days of receipt of the certificate, mail or deliver the certificate to the Secretary of State, with the transferee's application for a new certificate of title. A dealer shall not transfer the vehicle to any person unless he has a properly assigned certificate of title in his possession or unless such certificate is forthcoming from a lienholder who shall release the certificate to the dealer in accordance with section 2405.

Failure to comply with the provisions of this section shall constitute a Class E crime.

- Sec. 24. 29 MRSA §2378, sub-§3, as amended by PL 1981, c. 110, §36, is further amended to read:
  - 3. Certificate mailed. When the Secretary of State suspends or revokes a certificate of title, certificate of salvage or certificate of registration, the owner or person in possession of it shall, immediately upon receiving notice of the suspension

- or revocation, mail or deliver the certificate of title, certificate of salvage or certificate of registration and registration plates to the Secretary of
  State. Failure to comply with the provisions of this
  section shall constitute a Class E crime.
- 6 Sec. 25. 29 MRSA §2449, as enacted by PL 1983, 7 c. 476, §6, is repealed and the following enacted in its place:

### §2449. Exemptions

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- Financial institutions, as defined in Title 9-B, section 131, subsections 17 and 17-A, all insurance companies licensed to do business in this State and persons performing repairs to vehicles registered in their names, as provided for in chapter 5, are exempt from this subchapter.
- Retail businesses that primarily sell new or rebuilt auto parts and that do not buy salvage vehicles
  dismantle for their inventories are exempt from
  this subchapter.
- 20 Sec. 26. 29 MRSA §2452, as enacted by PL 1983, 21 c. 476, §6, is amended to read:

## 22 §2452. License fees

The initial application for a license under this subchapter shall be accompanied by a \$20 nonrefundable application fee. The application fee for every license issued under this subchapter shall be \$50, except those businesses licensed by the Secretary of State as new car, used car and equipment dealers pursuant to chapter 5, subchapter III-A, will be exempt from an additional \$50 license fee.

Sec. 27. 29 MRSA §2703, as last amended by PL 1983, c. 234, §1, is further amended by adding at the end a new paragraph to read:

Notwithstanding the provisions of this section, motor vehicles, the primary purpose of which is to transport passengers for hire, shall not be required to register as freight and merchandise carriers and shall not be required to obtain permits to transport freight and merchandise.

Sec. 28. 29 MRSA §2704, as amended by PL 1983, 1 c. 234, §2, is further amended to read: 3 §2704. Vehicle identification required except motor vehicles, the 4 Each motor vehicle 5 primary purpose of which is to transport passengers 6 for hire, transporting freight, merchandise or house-7 hold goods and required to obtain an operating permit under this chapter shall at all times display identi-8 9 fication to be prescribed and furnished by the bureau 10 in accordance with rules promulgated by the bureau. 11 The annual fee for the vehicle identification device 12 is \$8 for each motor vehicle and \$2 shall be charged 13 for each transfer of that identification. The bureau may refuse to furnish identification for 14 any motor 15 vehicle not registered in the name of the holder of a permit. The bureau may, in its discretion, issue upon 16 17 request telegraphic authority for transportation for 18 hire by motor vehicles in this State pending issuance 19 of proper vehicle identification devices. The tele-20 graphic authority shall not exceed that already 21 granted the requesting carrier by the United States 22 Interstate Commerce Commission or the bureau and the 23 cost of the telegraphic authority shall be borne by 24 the requesting carrier. 2.5 Sec. 29. Allocation. The following funds are allocated from the Highway Fund to carry out the pur-26 27 poses of this Act. 28 1983-84 1984-85 29 SECRETARY OF STATE, 30 DEPARTMENT OF THE 31 Motor Vehicle Division 32 Positions (2) (2) Personal Services 33 \$13,595 \$40,785 34 All Other 9,959 11,340 35 Capital Expenditures 2,000 TOTAL 36 \$25,554 \$52,125 37 Emergency clause. In view of the emergency

cited in the preamble, this Act shall take effect

when approved.

#### STATEMENT OF FACT

Section 1 of this new draft amends the Maine Administrative Procedure Act, the Revised Statutes, Title 5, chapter 375, to provide jurisdiction in the Superior Court as well as the Administrative Courts for all revocations, suspensions and renewals of licenses in the Revised Statutes, Title 29. The purpose of this change is to ensure availability of expeditious and economical review of these matters in Superior Court.

Section 2 includes in the definition of "juvenile crime" in the Juvenile Code, Revised Statutes, Title 15, sections 3001 to 3407, operating a motor vehicle while the right to do so has been revoked. This is consistent with the Juvenile Code's treatment of the criminal offense of operating a motor vehicle under the influence.

Section 3 - During the First Regular Session of the 111th Legislature, 3 laws designated in the Revised Statutes as Title 29, section 1, subsection 3-F, were enacted. To eliminate confusion, section 3 of this new draft repeals explicitly one of these laws. The intent of the repealed provision is fulfilled by section 4 of the new draft.

Section 4 reallocates one of the 3 enactments designated by the Revised Statutes, Title 29, section 1, subsection 3-F. See section 3.

Sections 5 and 6 ensure that a truck tractor will display one commercial tractor registration plate in the front of the vehicle only when it is in combination with a trailer or semitrailer.

Sections 7, 8 and 9 - The penalties for violation of the Revised Statutes, Title 29, sections 347 and 348-A are presently written into the Revised Statutes, Title 29, Section 342, where they have sometimes been overlooked. The proposed amendments will clarify the legislative intent to make violation of any of the cited sections a Class E crime and not an infraction.

Section 10 adds an alternative to the denial, suspension or revocation of a motor vehicle dealer's license. The Secretary of State may place a motor vehicle dealer on probation if the dealer has committed a violation that does not warrant revocation but more serious than suspension. Present law provides that failure to comply with the statutory provision pertaining to motor vehicle dealers and transporters or with a rule of the Secretary of State may be grounds for denial, suspension or revocation of a dealer's license. Section 12 provides that any violation of the Revised Statutes, Title 17-A, 29 or any rule deemed by the Secretary of State to be sufficient evidence for penalizing the dealer may be subject to the penalties provided in the Revised Statutes, Title 29, section 350-A.

Sections 11 and 17 are intended to prevent the alteration, disfigurement of Maine motor vehicle registration plate, especially the slogan. The court has rules that the slogan, "Vacationland," is not an "official" part of the registration plate and may be altered or obscured.

Section 12 clarifies the prohibition against the use of crossovers on divided roadways. Such crossovers are necessary to efficient road maintenance and effective law enforcement. Their use by the public creates obvious hazards to safety. In order to reduce these hazards, public use of those crossovers is prohibited.

Section 13 amends the Revised Statutes, Title 29, section 1313, in order to make clear that the Secretary of State can revoke the driver's license, permit, right to operate or right to obtain a license of any juvenile found to have committed a juvenile offense of criminal homicide involving operating of a motor vehicle.

Section 14 removes the "sunset" provision scheduled for 1985 on the exemption of the requirement for brakes on pole dollies. Pole dollies will continue to be required to have brake requirements.

Section 15 repeals a provision which requires certification that a 10-year old vehicle is safely

able to take advantage of the weight tolerance, the Revised Statutes, Title 29, section 1655.

Section 16 exempts vehicles owned and operated by government agencies from the commodity permit requirements of the law.

Section 17 - See section 11.

 Section 18 repeals statutory language imposing a flat fee retaliatory tax, which the Attorney General views as unconstitutional.

Section 19 attempts to promote interstate motor vehicle transport.

Presently, several states impose 3rd structure taxes on foreign-registered motor vehicles using their highways. These 3rd structure taxes may take the form of weight-distance, ton-mile, unladen weight, axle-mile, variable fuel rate or flat fee levies. Maine does not impose 3rd structure taxation on motor vehicles.

By providing for taxation of motor vehicles from "3rd structure" jurisdictions, this new draft attempts to make treatment of those motor vehicles in Maine comparable with treatment of similar Maine-registered motor vehicles traveling in those vehicles' jurisdictions of registration. In order to effectuate this purpose, the new draft provides that taxation imposed by Maine shall conform as closely as practicable to that imposed by jurisdictions of registration.

Section 18 repeals language that would increase Highway Fund revenues by \$500,000 annually. Section 19, however, replaces section 17 and is expected to increase Highway Fund revenues in fiscal year 1984-85 by approximately the same amount, \$500,000.

Sections 20 and 22 provide a penalty clause which is the minimum penalty under present law for violation of the certificate of title law. This section of the law refers to "misdemeanor" which has been replaced for several years with Class E crime.

Section 21 places upon the dealer the responsibility for mailing or delivering an application for title certificate to the lienholder or assignee within a definite time limit in those cases where a security interest is created or reserved at the In its present form the statute requires the lienholder or assignee to mail or deliver the for title certificate to the Secretary of State within 20 days of sale, but does not require dealer to forward the application to the lienholder or assignee in time for the latter parties comply with the statute.

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Section 23 places upon the dealer the responsibility for mailing or delivering the certificate of title to the lienholder or assignee within a time limit in those cases where a security interest is created or reserved at the time of transfer. In its present form the statute requires the lienholder or assignee to mail or deliver the certificate of title to the Secretary of State within 20 days of transfer, but does not require the dealer to forward the certificate to the lienholder or assignee in time for the latter to comply with the statute.

Section 24 establishes as a Class E crime the refusal or failure of a person possessing a certificate of title, salvage or registration upon the demand of the Secretary of State. Presently, no penalty is provided in the law.

- 29 Section 25 revises the text of the Revised Stat-30 utes, Title 29, section 2449, in order to:
- Remove an exemption from salvage law licens ing requirements for licensed auto dealerships; and
- 33 2. Clarify the exemption from salvage law li-34 censing requirements for certain retailers of new and 35 used auto parts.
  - Section 26 provides an exemption for new, used car dealers and equipment dealers from having to purchase a \$50 license fee for salvage operations.
- Sections 27 and 28 exempt bus companies from the provisions requiring freight and merchandise permits

and from the requirement that each bus possess a "cab" or vehicle identification for transporting freight and merchandise.

Presently, buses that transport freight and merchandise in interstate and intrastate commerce are required to possess 2 vehicle identification cards at \$8 each. In addition, a bus company that operates buses transporting passengers and freight to obtain permits for each for interstate and for intrastate transit for a total of 4 permits per company at a total cost of \$60 per year.

The bus companies argued that the Joint Standing Committee on Transportation intended to exempt buses from these provisions in the legislation enacted in 1983. The exemption, however, was inadvertently omitted. The reason for the exemption is that buses do not carry sufficient freight to compete with the trucking industry and to warrant the purchase of permits and cab cards.

Section 29 allocates funds to the Motor Vehicle Division to assist in administration of section 19.