

MARYLAND REGISTER

Proposed Action on Regulations

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2. COMAR Codification

Title Subtitle Chapter Regulation

11 15 22 03, .04, .05, .07 and .09 - .17

3. Name of Promulgating Authority

Department of Transportation

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Title 11
DEPARTMENT OF TRANSPORTATION
Subtitle 15 MOTOR VEHICLE ADMINISTRATION—VEHICLE
REGISTRATION

11.15.22 Apportioned Registration of Fleet Vehicles

Authority: Transportation Article, §12-406, Annotated Code of Maryland Md. Code Ann.

Notice of Proposed Action

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The Administrator of the Motor Vehicle Administration proposes to amend Regulation .03, .04, .05, .07 and .09 — .17 under COMAR 11.15.22 Apportioned Registration of Fleet Vehicles.

Statement of Purpose

The purpose of this action is to update and clarify regulations and procedures in the implementation of the International Registration Plan (IRP) entered into with other jurisdictions for the registration of fleets of vehicles on an apportioned basis as authorized by Transportation Article 12-406, Annotated Code of Maryland.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact.

This proposed action would update regulations and procedures in the implementation of the International Registration Plan (IRP) entered into with other jurisdictions for the registration of fleets of vehicles on an apportioned basis as authorized by Transportation Article 12-406, Annotated Code of Maryland. This fiscal estimate includes the estimated fiscal impact resulting from the implementation of the Full Reciprocity Plan (FRP). Based on data received from the IRP, Inc. (resulting from a study prepared by the Freight Policy Transportation Institute, Transportation Research Group of the Washington State University), the estimated annual revenue gain to be realized is \$1,041,602. An estimated \$15,000 one-time expense would be incurred as a result of this proposed action. In addition, a fiscal impact would potentially result for Maryland's commercial trucking industry as well as for private companies who provide transportation services outside the State. However, it is not possible to quantify a potential fiscal impact to the commercial trucking industry or to private companies providing these transportation services.

Revenue (R+/R-)

II. Types of Economic Impact.

Expenditure (E+/E-) Magnitude

A. On issuing agency:		
(1) (MVA/MDOT)	(R+)	\$1,041,602 (annually)
(2) (MVA/MDOT)	(E+)	15,000
B. On other State agencies:	NONE	
C. On local governments:	NONE	

Benefit (+)	Magnitude
Cost (-)	

D. On regulated industries or trade groups:	(+)	Undeterminable
E. On other industries or trade groups:	(+)	Undeterminable
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A(1). Based on a study authorized by the IRP, Inc., the MVA would realize an annual revenue gain of \$1,041,602 from this proposed change. The estimated revenue impact is determined as follows: As part of the process in the eventual implementation of the Full Reciprocity Plan (FRP), the IRP, Inc. Board of Directors authorized an independent study to determine the fiscal impact of the proposed FRP. This study was prepared by the Freight Policy Transportation Institute, Transportation Research Group of the Washington State University. In its study, the Freight Policy Transportation Institute analyzed the potential impact to the 48 contiguous States, the District of Columbia, and the ten Canadian provinces which compose the IRP. This study compared the estimated IRP revenue before and after the implementation of the FRP. The study concluded that the State of Maryland would realize an estimated additional \$1,041,602 annually in IRP revenue from the implementation of the Plan.

A(2). The implementation of the FRP will also result in increased expenditures. The changes included in the FRP will result in the need for modifications to the State's IRP system to incorporate the Plan's enhancements. These modifications will involve computer programming changes as well as other programmatic adjustments. The estimated cost of additional expenditures is \$15,000.

D. It is anticipated that the State's commercial trucking industry would potentially be impacted by the changes contained in this proposed regulation. For example, the regulations contained in the FRP which grants full reciprocity for all apportioned vehicles in all member IRP jurisdictions would potentially have an impact on registration fees paid by commercial carriers based in the State. Other changes potentially impacting commercial carriers include no longer needing to obtain trip permits or having to add jurisdictions to its cab cards since all 48 contiguous states, the District of Columbia and all ten Canadian provinces would be included in the FRP. Specifically, individual Maryland commercial carriers may potentially be required to

pay more (or less) in registration fees under the FRP. In addition, carriers would no longer need to purchase trip permits or add jurisdictions to their cab cards – thus potentially saving money. However, due to the many variables involved, it is not possible to accurately quantify the net fiscal impact to Maryland’s commercial trucking industry.

E. The FRP has also amended the IRP with regards to non-government owned buses transporting chartered parties. Currently, these buses have the option of registering under the IRP. However, if these buses provide transportation services to chartered parties outside the jurisdiction in which they are registered, these buses will now be required to register under the IRP and have apportioned plates. It is not possible to quantify the impact to those business concerns providing this service at this time.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Tracey C. Sheffield, Regulations Coordinator, Motor Vehicle Administration, 6601 Ritchie Highway N.E., Room 200, Glen Burnie, MD 21062, or call 410-768-7545, or email to tsheffield@mdot.state.md.us, or fax to 410-768-7506. Comments will be accepted through May 29, 2016. A public hearing has not been scheduled.

Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 2016

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

Yes

C. If 'yes', state whether general, special (exact name), or federal funds will be used: Transportation Trust Funds

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

E. If these regulations have no economic impact under Part A, indicate reason briefly: N/A

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

This action has no economic impact on small businesses since they only update and clarify existing regulations for other jurisdictions for the registration of fleets of vehicles on an apportioned basis as authorized by Transportation Article 12-406, Annotated Code

G. Small Business Worksheet:

- a. Intended Beneficiaries: N/A
- b. Intended Beneficiaries: Households: N/A
- c. Intended Beneficiaries: Businesses: N/A
- d. Other Direct or Indirect Impacts: Adverse: N/A
- e. Other Direct or Indirect Impacts: Positive: N/A
- f. Long-Term Impacts: N/A
- g. Estimates of Economic Impact: N/A

Attached Document:

11.15.22 (August 4, 2015)

Title 11 DEPARTMENT OF TRANSPORTATION

Subtitle 15 MOTOR VEHICLE ADMINISTRATION — VEHICLE REGISTRATION

Chapter 22 Apportioned Registration of Fleet Vehicles

Authority: Transportation Article, §12-406, Annotated Code of Maryland

.03 Member Jurisdictions.

The following are member jurisdictions: Alabama, Alberta, [Canada,] Arizona, Arkansas, *British Columbia*, California, Colorado, Connecticut, *Delaware*, *District of Columbia*, Florida, *Georgia*, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, *Maine*, *Manitoba*, Maryland, *Massachusetts*, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, *Nevada*, *New Brunswick*, *New Hampshire*, *New Jersey*, *New Mexico*, *New York*, *Newfoundland and Labrador*, North Carolina, North Dakota, *Nova Scotia*, *Ohio*, Oklahoma, *Ontario*, Oregon, Pennsylvania, *Prince Edward Island*, *Quebec*, *Rhode Island*, *Saskatchewan*, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Vermont, Washington, West Virginia, Wisconsin, Wyoming.

.04 Definitions.

A. (text unchanged)

B. Terms Defined.

(1) —(7) (text unchanged)

(8) "Average per-vehicle distance" means the average per-vehicle distance in each member jurisdiction determined by the total actual distances reported during the previous registration year as having been operated by all Maryland carriers.

[(8)] (9) — [(11)] (12) (text unchanged)

[(12)] "Chartered party" means a group of persons who, under a common purpose and under a single contract, and at a fixed charge for the vehicle in accordance with the carrier's tariff, lawfully on file with the Interstate Commerce Commission, have acquired the exclusive use of a passenger-carrying motor vehicle to travel together as a group to a specified destination or for a particular itinerary, either agreed upon in advance or modified by the chartered group after having left the place of origin.]

(13) — (18) (text unchanged)

(19) "International Registration Plan (*IRP*)" means a registration reciprocity agreement [the signatory] states of the United States, *the District of Columbia*, and provinces of Canada providing for the payment of [registration] *apportionable* fees on the basis of fleet miles operated in each jurisdiction[, which agreement is the

product of the American Association of Motor Vehicle Administrators, and is generally administered by that association].

(20) — (49) (text unchanged)

(50) *“Vehicle-tracking system” means an electronic system that monitors the exact location, 24 hours a day, of any moving vehicle using the Global Positioning System (GPS) or another type of automatic vehicle location technology.*

(51) *“VIN” means vehicle identification number.*

.05 Application for Proportional Registration.

A. (text unchanged)

B. Contents of the Application.

(1) Schedule [A (Form IRP A)] *A/C (Form IRP A/C)* shall contain a description of each power unit, trailer, semi-trailer, and auxiliary axle and be accompanied by a uniform mileage schedule.

(2) Schedule B (Form IRP B).

(a) (text unchanged)

(b) If no operations were conducted with any vehicle or vehicles during the preceding year, the application shall [contain a full statement of the proposed method of operation and estimates of annual mileage in each jurisdiction] *use the average per-vehicle distance.*

(c) (text unchanged)

[(d) The Administration may adjust the estimate in the application if it is not satisfied as to its correctness.]

[(e) (d) Changes to an original or renewed application may be made after it has been filed by notifying the Motor Carrier Services Section [not later than March 1] *prior to payment.*

(e) Maryland IRP registration period is staggered on a quarterly basis.

C. Evidence of Ownership.

[(1)] The owner or lessor of a vehicle to be proportionally registered shall hold in their name a Maryland certificate of title or a negotiable title issued in another jurisdiction for each vehicle.

[(2) If the registration of a vehicle not titled in Maryland has not been previously apportioned in the applicant's name, a photocopy of the out-of-State vehicle title, bill of sale, or registration card shall accompany the registration application.]

.07 Registration Criteria — Leased Vehicles.

A. (text unchanged)

B. Temporary Leases.

(1) (text unchanged)

(2) The temporarily leased vehicle shall continue to bear proportional registration credentials and may be operated on those credentials only in jurisdictions [to which fees have been paid] *displayed on the cab card.*

.09 Registration Criteria — Rental Vehicles.

A. (text unchanged)

B. Tractor, Truck-tractor and Truck Fleet Registrations. Rental owners having a rental fleet of trucks, tractors and truck-tractors based in Maryland excluding one-way vehicles, and operating into or through one or more other member jurisdictions may proportionally register the vehicles by paying apportionable registration fees based on mileage using Schedule [A/E (Form IRP A),] *A/C and* Schedule B [(Form IRP B), and Schedule C (Form IRP C) Supplement, if needed].

C. —E. (text unchanged)

.10 Changes in Apportionable Vehicle Fleets.

A. —C. (text unchanged)

[D. Adding Jurisdictions. A registrant who has filed an original apportioned registration application for a registration year may expand its operation into or through a jurisdiction not previously included by filing Schedule A/E (Form A) and Schedule B (Form B) forms which:

(1) Describe the new operation;

(2) Indicate the estimated miles in the new jurisdictions; and

(3) Indicate the desired weight in the new jurisdictions.]

.11 Temporary Registration.

A. Maryland Temporary Authorization Certificates.

(1) Temporary authorization certificates may be obtained from the Motor Carrier Services Section of the Administration by apportioned vehicle registrants for use on an additional vehicle or when it is necessary to increase a vehicle's registered weight. The registrant's fees on its original apportioned registration application shall be paid before approval of the request for temporary authorization certificates. Temporary authorization certificates are not transferable and may not be used by another carrier. [A temporary authorization certificate is valid for 45 days from the date of its first use.]

[(2) The carrier shall complete the temporary authorization application by typewriter or in ink.]

[(3)] (2) The Administration may suspend the proportional registration privileges of any carrier who does not file within 5 days a supplemental application for proportional registration of a vehicle for which the carrier issued a temporary authorization certificate. The suspension will be in effect until the proportional registration of the additional vehicle is completed. Transfer credit will not be allowed for the vehicle.

B. —C. (text unchanged)

.12 Billing and Payment Procedures.

A. Billing Notices.

(1) Upon the approval of an application for apportioned registration, the Administration will [mail] *provide* a billing notice [in duplicate] to the [address of the] registrant shown on the application. The notice will list the amount of all registration fees due *to* the State of Maryland as well as the apportioned registration fees due *to* each member jurisdiction[, except for those jurisdictions which bill directly].

[(2)] The Motor Carrier Services Section of the Administration will forward a copy of an application for apportioned registration to all direct bill jurisdictions with which the applicant seeks apportioned registration. A separate billing notice will be sent to the registrant by each direct bill jurisdiction.]

B. Payment Procedures. The following apply to the payment of the apportioned registration fees:

(1) (text unchanged)

(2) Payments shall be made by *cash, cashier's check*, certified check, *credit card, or* money order[, cashier's check, or by uncertified check if a] *for fees due from each member jurisdiction unless a* surety bond has been filed with the Administration;

[(3)] Payments for original applications and renewals shall be received by the Department by April 10 of a registration year;

(4) Payments to direct bill jurisdictions shall be made by separate checks or money orders for each billing notice and sent to the jurisdiction's apportioned registration office.]

C. (text unchanged)

.13 Registration Credentials.

A. Vehicle Identification.

(1) Issuance of Plate and Cab Cards. Upon approval of an application for apportioned registration and payment of the necessary fees, the Administration shall issue the following to Maryland based carriers:

(a) (text unchanged)

(b) An apportioned cab card containing the following information:

(i) (text unchanged)

(ii) Make and [vehicle identification number] *VIN* of the vehicle,

(iii) —(v) (text unchanged)

(2) Display. Credentials issued by the Administration shall be maintained or displayed [as follows:] *as required by Transportation Article, § 13-411, Annotated Code of Maryland.*

[(a)] The apportioned registration plate shall be mounted on the front of and rear of tractor and truck tractor, trailer, and other apportioned vehicles;]

[(b)] The cab card shall be carried in the vehicle for which it is issued.

B. (text unchanged)

C. Cancellation. The Administration may cancel or suspend apportioned registration plates, cab cards, and temporary registrations [issued in error, if any fees remain unpaid, or the applicant has made a false statement on any apportioned application. Apportioned registration plates and cab card shall be returned to the Administration when the registration is no longer required or is suspended or cancelled] *as authorized by Transportation Article, § 13-705, Annotated Code of Maryland. Apportioned registration plates and cab card shall be returned to the Administration when the registration is no longer required or is suspended or cancelled.*

.14 Fees.

A. General. Registration fees for apportionable vehicles shall be determined as follows:

(1) Obtain the percentage factor for each member jurisdiction by dividing the miles travelled in each jurisdiction by the total fleet miles accrued during the preceding year. The Maryland mileage shall include the following:

(a) Mileage accrued within Maryland; *and*

(b) Mileage accrued in any nonmember jurisdiction which does not apportion registration fees but which grants reciprocity[; and].

[(c)] Mileage accrued in member jurisdictions in which the applicant does not desire to apportion registration fees.]

(2) — (3) (text unchanged)

B. (text unchanged)

C. Additional Vehicle Fees.

(1) [General.

(a) If a vehicle is to be added to a fleet to replace a vehicle having the same registered gross weight, no additional registration fee is due to the Administration for Maryland registration. However, additional fees will be due for those jurisdictions which do not allow transfer credits.

(b) (2) If the added vehicle is to have a higher registered gross weight than the vehicle it replaces, an additional registration fee is due, based on the difference between the registration fees of the vehicles, multiplied by the mileage percentage factor.

(c) (3) A registration transfer fee shall be paid in all cases.

(2) Estimating Mileage.

(a) A carrier may, upon receiving apportioned registration for a registration year, estimate the mileage in any jurisdiction in which it has no mileage history and into or through which it desires to expand operations. The fees calculated for expanded operations will be in excess of the 100 percent registration percentages established at renewal.

(b) Instead of estimating mileage, a carrier may conduct expanded operations by use of trip permits.

(c) Carriers estimating mileage in any jurisdiction for a second full consecutive registration year will continue to pay in excess of 100 percent registration fees.]

D. —K. (text unchanged)

L. Refunds.

(1) (text unchanged)

(2) Fees of Other Jurisdictions. [A] *Except for overpayments due to an audit, a* refund of apportioned registration fees of other jurisdictions may not be made by the Administration. Application for a refund of the fees shall be made directly to the proper authorities in accordance with the appropriate statutes or regulations of the jurisdiction.

.15 Enforcement.

A. Enforcement Date. A Maryland apportioned registration plate shall be attached to a vehicle and the appropriate **unexpired** cab card carried in the vehicle [not later than May 1 of a registration year].

B. (text unchanged)

.16 Records and Audits.

A. Duty to Maintain.

(1) Operation Records. Every apportioned carrier shall maintain the operational records on which its registration application is based for a period of 3 years. Operational records include documents supporting mileage travelled in each jurisdiction and total mileage travelled, such as fuel reports, trip sheets, logs and computer runs. An acceptable source document for verification of fleet mileage shall be some type of Individual Vehicle Mileage Record which shall be completed for each movement of a vehicle and which shall contain the following:

(a) For records produced by a means other than a vehicle-tracking system:

(i) [Starting] *The beginning and ending dates of the trip to which the records pertain;*

(b) Trip] (ii) *The origin and destination of the trip;*

(c) (iii) *Route of travel;*

(iv) *The beginning and ending reading from the odometer, hubodometer, engine control module (ECM), or any similar device for the trip;*

(v) *The total distance of the trip;*

(vi) *The distance traveled in each jurisdiction; and*

(vii) *The VIN or Vehicle Unit Number.*

(d) Total trip miles, including all movement (loaded, empty, deadhead, or bobtail number);

(e) Mileage by jurisdiction;

(f) Unit number or vehicle identification;

(g) Vehicle fleet number;

(h) Registrant's name; and

(i) Driver's signature or name.]

(b) *For records produced wholly or partly by a vehicle-tracking system, including a system based on a global positioning system (GPS):*

(i) *The original GPS or other location data for the vehicle to which the records pertain;*

(ii) *The date and time of each GPS or other system reading;*

(iii) *The location of each GPS or other system reading;*

(iv) *The beginning and ending reading from the odometer, hubodometer, ECM, or any similar device for the period to which the records pertain;*

(v) *The calculated distance between each GPS or other system reading;*

(vi) *The route of the vehicle's travel;*

(vii) *The total distance traveled by the vehicle;*

(viii) *The distance traveled in each jurisdiction; and*

(ix) *The VIN or Vehicle Unit Number.*

(c) *Summaries:*

(i) For each month, a summary of the Fleet's operations which includes both the full distance traveled by each Apportioned Vehicle in the Fleet during the calendar month, and the distance traveled in the month by each Apportioned Vehicle in each Jurisdiction; and

(ii) For each calendar quarter, a summary of the Fleet's operations which includes both the full distance traveled by Vehicles in the Fleet during the calendar quarter, and the distance traveled in each Jurisdiction by the Vehicles in the Fleet during the calendar quarters.

(2) Failure to Maintain Records. [An apportioned vehicle, on which a carrier fails to maintain adequate records, as required, shall be registered at the full annual registration fee, unless the carrier provides evidence of nonuse of the vehicle satisfactory to the Motor Carrier Services Section]

(a) If the records produced by the Registrant for Audit do not, for the Registrant's Fleet as a whole, meet the criteria or if, within 30 calendar days of the issuance of a written request by the State of Maryland, the Registrant produces no records, the State shall impose on the Registrant:

(i) First offense: An assessment in the amount of twenty percent of the apportionable fees paid by the Registrant for the registration of its Fleet in the registration year to which the records pertain;

(ii) Second offense: The Administration shall impose an assessment of fifty percent of the apportionable fees paid by the Registrant for the registration of its Fleet in the registration year to which the Records pertain; and

(iii) Third or subsequent offense: The Administration shall impose an assessment of 100 percent of the apportionable fees paid by the Registrant for the registration of its Fleet in the registration year to which the Records pertain.

(b) The Base Jurisdiction shall distribute the amounts of assessment it collects under this subsection on a pro rata basis to the other Jurisdictions in which the Fleet was registered.

B. (text unchanged)

.17 Licensing of Trip Permit/Temporary Operating Authority Vendors.

A. Qualifications. In order to insure a sufficient number and availability of locations where an owner or operator of a commercial vehicle may purchase a temporary trip permit or temporary operating authority, as required by Transportation Article, §12-406, Annotated Code of Maryland, before entering this State or placing a newly acquired vehicle in service, the [Motor Vehicle] Administration, in its discretion, may license applicants to issue trip permits or temporary operating authority if they meet the following qualifications:

(1) (text unchanged)

(2) The applicant shall possess a Business Rating Reputation, and capability satisfactory to the [Motor Vehicle] Administration;

(3) The applicant shall agree to and is capable of providing the service at all times specified by the [Motor Vehicle] Administration;

(4) The applicant shall agree to deliver copies of all issued or voided trip permits or temporary operating authorities to the offices of the [Motor Vehicle] Administration by the next working day;

(5) The applicant shall demonstrate to the Administration that he *or she* possesses the financial capability to purchase trip permits from the [Motor Vehicle] Administration in advance of sale in quantities specified by the [Motor Vehicle] Administration.

B. Issuance of Trip Permits/Temporary Operating Authorities by Licensees.

(1) Licensees shall purchase from the Administration and sell trip permits/temporary operating authorizations in the manner prescribed by the [Motor Vehicle] Administration.

(2) The licensee may charge the purchaser of a trip permit/temporary operating authorities a fee for its service not to exceed the rate established by the [Motor Vehicle] Administration.

C. Liability. The [Motor Vehicle] Administration is not liable for the illegal or improper acts of its licensees.

D. Inspection of Record. The applicant agrees to the availability and inspection of all its records by the [Motor Vehicle] Administration during normal business hours, for the determination of compliance with the [Motor Vehicle] Administration requirements and regulations.

E. Transferability and Revocation of License.

(1) (text unchanged)

(2) Licensees may terminate the license by giving 30 days written notice to the [Motor Vehicle] Administration. If the license arrangement is cancelled by either party, the licensee shall promptly turn in to the offices of the Administration all unissued trip permits and the Administration shall refund their cost.

CHRISTINE NIZER

Administrator

Motor Vehicle Administration