

SENATE BILL NO. 353

INTRODUCED BY J. COHENOUR

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS RELATED TO VEHICLE LICENSE PLATES; AUTHORIZING THE USE OF REPRODUCTION LICENSE PLATES ON A GENERAL TRANSPORTATION COLLECTOR'S ITEM; REQUIRING THE REPRODUCTION LICENSE PLATE TO MEET CERTAIN STANDARDS; REVISING LAWS RELATED TO SPONSORSHIP OF GENERIC SPECIALTY LICENSE PLATES; REQUIRING CERTAIN ANNUAL CERTIFICATION FROM A SPONSOR OF A GENERIC SPECIALTY LICENSE PLATE; REQUIRING THE DEPARTMENT OF JUSTICE TO REVOKE SPONSORSHIP OF A GENERIC SPECIALTY LICENSE PLATES IN CERTAIN CIRCUMSTANCES; AMENDING SECTIONS 61-3-111, 61-3-320, 61-3-411, 61-3-412, 61-3-413, 61-3-474, AND 61-3-475, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 61-3-111, MCA, is amended to read:

"61-3-111. Motor vehicle division administrative fees. The motor vehicle division of the department shall charge, impose, and collect a 3% administrative fee on all fees and donations charged under 23-2-809, 23-2-617, and this title to be deposited into the motor vehicle division administration account established in 61-3-112."

Section 2. Section 61-3-320, MCA, is amended to read:

"61-3-320. Registration -- custom vehicle, street rod, originally equipped older vehicle, kit vehicle, or specially constructed vehicle. (1) (a) A custom vehicle or street rod:

(i) that is more than 30 years old may be registered under 61-3-411 as a collector's item; or
(ii) may be registered, depending on the vehicle type, as a motor home, a bus, a truck having a manufacturer's rated capacity of more than 1 ton, a truck tractor, or a light vehicle upon payment of the registration fee required in 61-3-321, the applicable fee or fee in lieu of tax provided for in 61-3-529 or 61-3-562, and, if applicable, any local option tax or fee under 61-3-537 or 61-3-570.

(b) The owner of a custom vehicle or street rod that is originally registered under subsection (1)(a) or

1 that was registered prior to January 1, 2006, may be authorized to operate the custom vehicle or street rod while
2 displaying only one license plate on the rear exterior of the vehicle if the owner certifies that the custom vehicle
3 or street rod is not used for general transportation purposes and pays an additional \$10 fee, to be deposited in
4 the state general fund.

5 (c) (i) Upon original registration of a custom vehicle or street rod under subsection (1)(a)(i), ~~either a~~
6 custom vehicle or street rod must be assigned a set of pioneer or vintage license plates, as described in
7 61-3-411(2), or a set of original Montana license plates or collector reproduction license plates, as allowed under
8 61-3-412(1), ~~must be assigned and issued to the custom vehicle or street rod.~~

9 (ii) Upon original registration of a custom vehicle or street rod under subsection (1)(a)(ii) and unless the
10 owner has applied for personalized license plates, special license plates for military personnel, veterans, or
11 spouses, collegiate plates, or generic specialty license plates or has met the requirements of subsection (1)(b),
12 a set of standard license plates must be assigned to the vehicle under 61-3-331.

13 (iii) Upon original registration of a custom vehicle or street rod under subsection (1)(a)(ii) and if the owner
14 of a custom vehicle or street rod has met the requirements of subsection (1)(b), a single license plate, including
15 a personalized standard license plate, special license plate for military personnel, veterans, or spouses, collegiate
16 plate, or generic specialty license plate, if otherwise available to the vehicle owner or vehicle type, may be issued
17 for the custom vehicle or street rod.

18 (d) The owner of an originally equipped motor vehicle, other than a motorcycle, that is more than 30
19 years old and that is not registered as a collector's item under 61-3-411 may be authorized to operate the motor
20 vehicle while displaying only one license plate on the rear exterior of the vehicle, as if it were a custom vehicle
21 or street rod, if the owner:

22 (i) certifies that the originally equipped motor vehicle is not used for general transportation purposes;

23 (ii) pays any fees required under 61-3-321, 61-3-529, or 61-3-562 and, if applicable, a local option tax
24 or fee under 61-3-537 or 61-3-570, plus an additional \$10 fee, to be deposited in the state general fund; and

25 (iii) is otherwise eligible, based on the owner's status and the vehicle type, for one of the single license
26 plate options available to an owner of a custom vehicle or street rod under this subsection (1).

27 (2) (a) The owner of a kit vehicle shall pay the registration fees provided for in 61-3-321 and, if
28 applicable, any local option tax or fee under 61-3-537 or 61-3-570.

29 (b) Upon original registration of a kit vehicle and unless the owner has applied for special license plates,
30 collegiate plates, or generic specialty license plates, standard license plates must be assigned and issued to the

1 kit vehicle under 61-3-331.

2 (3) (a) Depending on whether the specially constructed vehicle is a motor home, bus, truck having a
3 manufacturer's rated capacity of more than 1 ton, truck tractor, or light vehicle, the owner of a specially
4 constructed vehicle shall pay the registration fees provided for in 61-3-321, any registration fee or fee in lieu of
5 tax provided for in 61-3-529, and, if applicable, any local option tax or fee under 61-3-537 or 61-3-570.

6 (b) Upon original registration of a specially constructed vehicle and unless the owner has applied for
7 special license plates, collegiate plates, or generic specialty license plates, standard license plates must be
8 assigned and issued to the specially constructed vehicle under 61-3-331."

9

10 **Section 3.** Section 61-3-411, MCA, is amended to read:

11 **"61-3-411. Registration of motor vehicle owned and operated solely as collector's item.** (1) An
12 owner of a motor vehicle, trailer, semitrailer, or pole trailer that is more than 30 years old and that is used solely
13 as a collector's item and is not used for general transportation purposes may file with the department an
14 application for the registration of the motor vehicle, trailer, semitrailer, or pole trailer. The application must be
15 sworn to before an officer authorized to administer oaths. The application must state:

16 (a) the name and address of the owner;

17 (b) the name and address of the person from whom the motor vehicle, trailer, semitrailer, or pole trailer
18 was purchased;

19 (c) the make, the gross weight, the year and number of the model, and the manufacturer's identification
20 number and serial number of the motor vehicle, trailer, semitrailer, or pole trailer; and

21 (d) that the motor vehicle, trailer, semitrailer, or pole trailer is owned and operated solely as a collector's
22 item and not for general transportation purposes.

23 (2) Upon receipt of the application for registration and payment of the registration fees, including fees
24 in lieu of tax, the department shall file the application and register the motor vehicle, trailer, semitrailer, or pole
25 trailer in the manner specified in 61-3-303 and, unless the applicant chooses to exercise ~~the~~ an option allowed
26 in 61-3-412, shall deliver to the applicant:

27 (a) for a motor vehicle, trailer, semitrailer, or pole trailer manufactured in 1933 or earlier, two license
28 plates bearing the inscription "Pioneer--Montana" and the registration number; or

29 (b) for a motor vehicle, trailer, semitrailer, or pole trailer manufactured in 1934 or later and more than
30 30 years old, two license plates bearing the inscription "Vintage--Montana" and the registration number.

(3) The year of issuance may not be shown on the plates.

(4) Annual renewal of the registration of a motor vehicle, trailer, semitrailer, or pole trailer registered under this section is not required, and the registration is valid as long as the motor vehicle, trailer, semitrailer, or pole trailer is in existence and owned by the initial registrant."

Section 4. Section 61-3-412, MCA, is amended to read:

"61-3-412. Display of original Montana license plates or collector reproduction license plates on collector's item and general transportation collector's item motor vehicles -- definition definitions -- validation. (1) As used in 61-3-413 and this section, the following definitions apply:

(a) "Collector reproduction license plate" means a license that is a reproduction of the original license plate issued according to the provisions of 61-3-331; section 53-116, R.C.M. 1947; section 1759.1, R.C.M. 1935; or section 1759, R.C.M. 1921; whichever section was effective during the year of the manufacture of the motor vehicle, trailer, semitrailer, or pole trailer on which the license plate is authorized to be displayed. To qualify as a collector reproduction license plate, the reproduction plate must be made of metal, must be the same size and color as the original license plate, and must have the same design, including any embossed or raised letters or numbers, as the original license plate.

(b) ~~"original "~~Original Montana license plate" means a license plate issued according to the provisions of 61-3-331; section 53-116, R.C.M. 1947; section 1759.1, R.C.M. 1935; or section 1759, R.C.M. 1921; whichever section was effective during the year of the manufacture of the motor vehicle, trailer, semitrailer, or pole trailer on which the license plate is authorized to be displayed.

(2) Notwithstanding the provisions of 61-3-332, the department shall authorize the owner of a motor vehicle, trailer, semitrailer, or pole trailer registered as provided in 61-3-411 or 61-3-413 to display original Montana license plates or collector reproduction license plates, with validation as required in 61-3-413 or subsection (4) of this section, after:

(a) payment of the fee required in subsection (6);

(b) inspection by a highway patrol officer of the original Montana license plate or collector reproduction license plate to be displayed on the motor vehicle, trailer, semitrailer, or pole trailer and, upon payment of a \$5 fee, receipt of the highway patrol officer's certification that the officer has determined that:

(i) the license plate is legible and meets the requirements of subsection (1); and

(ii) in the case of a license plate intended for use on a general transportation collector's item, the license

1 plate is visible at night;

2 (c) receipt of an application by the owner of the motor vehicle, trailer, semitrailer, or pole trailer as
3 provided for in 61-3-411 or 61-3-413; and

4 (d) in the case of a general transportation collector's item application, certification from the department
5 that a duplicate license plate number does not exist among currently issued license plates.

6 (3) The owner of a motor vehicle, trailer, semitrailer, or pole trailer manufactured in the year 1948, 1949,
7 or 1950 may display a single original Montana license plate that is affixed to the rear of the vehicle. The original
8 Montana license plate must be legible and must bear the year that matches the year in which the vehicle was
9 manufactured.

10 (4) If the owner of a motor vehicle, trailer, semitrailer, or pole trailer meets the requirements of subsection
11 (2), the department shall:

12 (a) register the motor vehicle, trailer, semitrailer, or pole trailer as prescribed in 61-3-303; and

13 (b) issue a validating decal inscribed with:

14 (i) a unique number; and

15 (ii) the letter:

16 (A) "P" to designate motor vehicles, trailers, semitrailers, or pole trailers described in 61-3-411(2)(a); or

17 (B) "V" to designate motor vehicles, trailers, semitrailers, or pole trailers described in 61-3-411(2)(b).

18 (5) The owner of the motor vehicle, trailer, semitrailer, or pole trailer shall permanently affix the validating
19 decal to the windshield of the collector's item motor vehicle, trailer, semitrailer, or pole trailer or, if a windshield
20 does not exist, to another prominent and visible position on the motor vehicle, trailer, semitrailer, or pole trailer.

21 (6) The owner of the motor vehicle, trailer, semitrailer, or pole trailer shall pay to the department with the
22 application required under this section a one-time special collector's item motor vehicle, trailer, semitrailer, or pole
23 trailer license fee of \$20."

24
25 **Section 5.** Section 61-3-413, MCA, is amended to read:

26 **"61-3-413. Registration of motor vehicle as general transportation collector's item -- definition**
27 **-- permanent registration required.** (1) For the purposes of 61-3-412 and this section, a "general transportation
28 collector's item" is a motor vehicle, trailer, semitrailer, or pole trailer that is 25 years old or older and that is used
29 for general transportation purposes.

30 (2) An owner of a general transportation collector's item who wishes to display original Montana license

plates or collector reproduction license plates on the motor vehicle, trailer, semitrailer, or pole trailer shall file with the department an application for the registration of the motor vehicle, trailer, semitrailer, or pole trailer. The application must state:

(a) the name and address of the owner;

(b) the year and number of the license plate the applicant wishes to use; and

(c) the make, the gross weight, the year and number of the model, and the manufacturer's identification number and serial number of the motor vehicle, trailer, semitrailer, or pole trailer.

(3) Upon receipt of an application for registration of a general transportation collector's item that will display an original Montana license plate, the department shall compare the number of the license plate that the applicant intends to use with the license plate numbers assigned to currently registered motor vehicles, trailers, semitrailers, or pole trailers. The department may reject an application if the number the applicant intends to use matches a number that is assigned to a currently registered motor vehicle, trailer, semitrailer, or pole trailer. If the department approves the application, the department shall file the application and register the motor vehicle, trailer, semitrailer, or pole trailer in the manner specified in 61-3-101.

(4) Upon receipt of an application for registration of a general transportation collector's item that will display a collector reproduction license plate, the department shall determine a distinctive license plate number to be assigned to the collector reproduction license plate. The department may:

(a) issue a new license plate number following the requirements for issuing distinctive license plate numbers under 61-3-331;

(b) issue a new personalized license plate number under 61-3-401 through 61-3-406; or

(c) at the request of the owner, transfer a license plate number that is already assigned to the general transportation collector's item or another motor vehicle owned by the owner of the general transportation collector's item.

(5) The general transportation collector's item owner may take the license plate number issued pursuant to subsection (4) and purchase a collector reproduction license plate from any source.

(6) The one-time application fee for a collector reproduction license plate under subsection (4) is \$50. The fee must be deposited as follows:

(a) \$25 must be deposited into the state special revenue account to partially fund highway patrol officers' salaries established in 44-1-504; and

(b) \$25 must be deposited into the motor vehicle division administration account established in 61-3-112.

1 ~~(4)~~(7) Once an application is approved, appropriate fees are paid, and the requirements provided in
2 61-3-412(2) are met, an owner of a general transportation collector's item shall permanently register the motor
3 vehicle, trailer, semitrailer, or pole trailer as provided in 61-3-562 and shall display on the motor vehicle's, trailer's,
4 semitrailer's, or pole trailer's license plate a decal indicating that the motor vehicle, trailer, semitrailer, or pole
5 trailer has been permanently registered."

6
7 **Section 6.** Section 61-3-474, MCA, is amended to read:

8 **"61-3-474. Responsibility for design of generic specialty license plates -- numbering -- rulemaking**
9 **-- approval -- registration decal -- listing of plate sponsors.** (1) The department shall:

10 (a) design the background and general format of generic specialty license plates, including ensuring the
11 readability of a generic specialty license plate design;

12 (b) in consultation with the department of corrections, determine which license plate processing system
13 is the most efficient and versatile manufacturing method for the production of generic specialty license plates;

14 (c) use a numbering system for generic specialty license plates that is distinctive from the numbering
15 system required under 61-3-332 or used for collegiate license plates;

16 (d) adopt rules that prescribe:

17 (i) the minimum and maximum number of characters that a generic specialty license plate may display;

18 (ii) the general placement of the sponsor's name, identifying phrase, and graphic; and

19 (iii) any specifications or limitations on the use or choice of color or detail in the sponsor's graphic design.

20 (2) All sponsor names, identifying phrases, and graphics intended for use on generic specialty license
21 plates must be approved by the department prior to the manufacture of the plates.

22 (3) Upon the issuance of generic specialty license plates, a registration decal must be affixed to the
23 license plates as provided in 61-3-332.

24 (4) The department shall maintain a list of the sponsors that have been approved to promote the sale
25 and issuance of generic specialty license plates, the initial distribution date for sale of each sponsored generic
26 specialty license plate, and the donation fee established by the sponsor for each sponsored generic specialty
27 license plate. The department shall, upon request, make copies of this list available to interested members of the
28 public.

29 (5) The department ~~may, in its discretion,~~ shall revoke its previous approval of a sponsor's generic
30 specialty license plate sponsorship if:

1 (a) the sponsor fails to comply with the provisions of 61-3-472 through 61-3-481;

2 (b) within 3 years of the date of the initial distribution of the sponsored generic specialty license plate,
3 fewer than 400 sets of a sponsor's generic specialty license plate have been sold or renewed ~~in the 12-month~~
4 ~~period immediately preceding the third anniversary of the date of initial distribution of the sponsored generic~~
5 ~~specialty license plate;~~

6 (c) any time after 3 years following the date of the initial distribution of the sponsored generic specialty
7 license plate, there are fewer than 400 sets of the sponsored generic specialty license plate with a current
8 registration; or

9 ~~(e)(d)~~ the department has reliable information that the sponsor is no longer qualified for sponsorship
10 under 61-3-472 through 61-3-481.

11 (6) (a) Upon revocation of a sponsor's generic specialty license plate sponsorship status, the issuance
12 and sale of the sponsor's generic specialty license plates must be terminated.

13 (b) A person who owns a motor vehicle displaying valid generic specialty license plates affiliated with
14 a sponsor whose sponsorship status has been revoked may continue to display those generic specialty license
15 plates on the person's motor vehicle until the motor vehicle's registration is renewed.

16 (c) Following revocation of a sponsor's sponsorship status, the department may not issue replacements
17 or duplicates of generic specialty license plates affiliated with that sponsor."
18

19 **Section 7.** Section 61-3-475, MCA, is amended to read:

20 **"61-3-475. Qualifications and approval of organization as sponsor.** (1) To qualify as a sponsor of
21 a generic specialty license plate, an organization shall:

22 (a) apply, through the organization's officers, for sponsorship on a form or in a format prescribed by the
23 department;

24 (b) submit proof of good standing if the organization is required to be registered with the office of the
25 secretary of state;

26 (c) designate one of its members as the organization's generic specialty license plate liaison. The liaison
27 is responsible for all communications with the department regarding the organization's sponsorship of generic
28 specialty license plates and shall file the liaison's name, address, and telephone number with the department.

29 (d) specify in its application the donation fee proposed by the organization for initial purchase of the
30 organization's generic specialty license plate and for renewal of the organization's generic specialty license plate

1 if the fee is required on renewal;

2 (e) submit to the department proof that is acceptable to the department that:

3 (i) the organization is a nonprofit organization ~~as demonstrated in its charter or bylaws or by an internal~~
4 ~~revenue service ruling. The department may request copies of an internal revenue service ruling to verify an~~
5 ~~organization's nonprofit status. that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code.~~
6 The organization shall submit proof of its tax-exempt status annually to the department. Acceptable forms of proof
7 include the current year's federal income tax filing documents or a Montana secretary of state tax identification
8 number.

9 (ii) the organization has held its tax-exempt status for at least 1 year prior to submitting its application to
10 sponsor a generic specialty license plate;

11 ~~(ii)~~(iii) the primary purpose of the organization, except for an organization of military service veterans, is
12 service to the community through specific programs that promote improving public health, education, or general
13 welfare;

14 ~~(iii)~~(iv) the organization's name, identifying phrase, or graphic that will be placed on the generic specialty
15 license plate does not:

16 (A) invoke connotations offensive to good taste and decency;

17 (B) promote, advertise, or endorse a product, brand, or service provided for sale;

18 (C) infringe or otherwise violate a trademark, trade name, service mark, copyright, or other proprietary
19 or property right; or

20 (D) obscure the generic specialty license plate letters or numbers that the department assigns as
21 provided in 61-3-474(1)(c);

22 ~~(iv)~~(v) the organization's headquarters or base of operations is in this state or, if the organization is a
23 chapter or branch of an international, national, or regional organization, the chapter or branch is in good standing
24 and has authorization in writing from the parent organization to use the name and graphic of the parent
25 organization; ~~and~~

26 (vi) the organization is a Montana entity, including proof of the organization's Montana address, contact
27 information for the organization's board of directors, and the organization's account with a Montana banking
28 institution. The organization shall submit the information required under this subsection (1)(e)(vi) annually.

29 ~~(v)~~(vii) the organization has an active telephone number listed under its name in at least one published
30 Montana directory; and

(viii) at least 75% of the donation fees collected will be spent in Montana.

(2) The department may require a statement under oath from the officers of the organization that the organization is authorized to use the name, identifying phrase, and graphic submitted for display on a generic specialty license plate and that no infringement or violation of any property right exists, together with an agreement to defend and hold harmless the state of Montana, its employees, or its agents for any liability as a result of an infringement or violation of any property right.

(3) The department's approval or rejection of an organization's application for generic specialty license plate sponsorship must be based on the requirements provided in 61-3-472 through 61-3-481. The department shall state in writing the reasons for its rejection of an organization's application.

(4) An organization may apply for and be approved to sponsor only one generic specialty license plate design at any time. Once a minimum 4-year period has expired, an organization may apply to the department for approval of a new generic specialty license plate design along with submission of the fee required under 61-3-478(1).

(5) If the department approves the organization's new generic specialty license plate design, issuance and renewal of the previously approved generic specialty license plate must be discontinued, effective on the date of the initial distribution of the newly approved generic specialty license plate design."

NEW SECTION. Section 8. Effective date. [This act] is effective January 1, 2020.

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