



## Tonry Topics

### ISSUES WITH TRAILER REGISTRATIONS

In October, 2009, Massachusetts residents and businesses were surprised at the increase in trailer registration fees that seemingly happened overnight and without notice. The fees for registration were increased 33% from \$15 per 1,000 lbs. to \$20 per 1,000 lbs. forcing many business owners to think of alternative solutions.

One of the more popular loopholes is to register trailers in the State of Maine, where residency is not a required condition of registration. One of the Massachusetts Agents Insurance Association members, Mark Pijar of Holyoke, asked the Registry about this very issue:

*“How does Massachusetts view MA residents registering their trailers in Maine in order to avoid higher registration and trailer registration fees? One of my customers contacted me inquiring what to do about the insurance if they re-register their trailers in the State of Maine. Since the trailers will be still garaged here in MA, I can not imagine that this would be acceptable to the MA Department of Transportation. Any thoughts?”*

This question was sent directly to the Massachusetts Registry of Motor Vehicles, and below is the response from the Deputy General Counsel:

1. If we are talking about plain vanilla utility or recreational vehicle trailers, owned by residents of Massachusetts the trailers must, I repeat must be registered in MA to those owners.
2. If we are talking about semi-trailers that are owned by a Massachusetts business and are being pulled by a commercially-plated tractor owned or leased by that business, those trailers must also be registered in MA. However, If the tractor is registered with an "apportioned" plate, the semi-trailer may be registered in Maine (even if owned by a Massachusetts business) or in any other state that is part of the International Registration Plan (IRP). The reason for the apparent waiver from the requirement of registration in MA is complicated and is rooted in the origin of the IRP.
3. The IRP is an agreement between the 48 contiguous states, the District of Columbia, and 10 Canadian provinces. To encourage the fullest use of the highway system, the IRP authorizes apportioned registration of commercial vehicles and requires member jurisdictions to grant vehicle registration reciprocity to any vehicle registered in a vehicle's home (base) jurisdiction. Apportioned registration allows commercial vehicle operators to pay a registration fee to a base jurisdiction, which then allocates and distributes portions of the fee to other jurisdictions in proportion to the miles driven by the vehicle in each jurisdiction. The IRP describes in detail the registration and apportionment rules to which IRP members have agreed to adhere with respect to trucks and other apportionable vehicles. The Plan is administered by a Board of Directors and a corporation known as the International Registration Plan, Inc. The Plan provides a dispute resolution process to resolve disputes among its members.
4. Massachusetts is used by numerous businesses as their "base registration." The registration fee for each tractor (power unit) they register is "apportioned" among the states/jurisdictions the company intends its vehicle to travel into based on the mileage it anticipates traveling in those states. Each of those jurisdictions is identified on a "cab card" maintained on the vehicle that law enforcement officers can examine. If an interstate carrier has to travel into a state not listed on its "cab card" it must buy a "Trip Permit" from that jurisdiction that allows it to travel in that jurisdiction for a limited period.
5. Semi-trailers are not "apportionable" vehicles. Nevertheless, a semi-trailer that is attached to a vehicle (tractor) with an "apportioned registration" cannot, under the current IRP agreement in effect in all jurisdictions (including Massachusetts) be required to be registered in the same state or jurisdiction where the tractor is registered as long as the semi-trailer is properly registered in a "member jurisdiction." Maine is a "member jurisdiction."

6. Any attempt to require a Massachusetts company to register its semi-trailers in Massachusetts that are currently registered in Maine and are pulled by tractors registered with “apportioned” plates would be in contravention of the terms of the IRP. At least two recent attempts have been made by other states to challenge the practice of registering semi-trailers in states where semi-trailer registration fees are less than in the states where the tractors are registered on an apportioned basis. Both of those efforts failed.

That being said, the Massachusetts Association of Insurance Agents is awaiting responses from the Registry on additional questions, such as:



1. What is the penalty for NOT registering your utility or recreational vehicle trailer in Massachusetts?
2. Are law enforcement officers looking for this particular issue?
3. Why is Maine continuing to register Massachusetts owned utility and recreational trailers with Maine plates?
4. Has the Massachusetts RMV addressed this with the Maine DMV?

This article was prepared by Jacquelynne R. Maloney, CISR, a licensed property and casualty producer of Tonry Insurance Group, who also manages branding and social media marketing efforts for the agency. Please contact her directly at [jmaloney@tonry.com](mailto:jmaloney@tonry.com).

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