

AAMVA Policy adopted May 14, 2005

TITLE

Recreational Park Trailer

POLICY POSITION

- A 'recreational park trailer' is a recreational vehicle primarily designed and intended to provide temporary living quarters for recreation, camping or seasonal use. It is built on a single chassis, mounted on wheels with a gross trailer area not exceeding 400 square feet in the setup mode. Each recreational park trailer is certified by its manufacturer as complying with the ANSI A119.5 standard for recreational park trailers

All US based recreational park trailers, upon the presentation of an acceptable certificate of origin with a properly created 17 digit Vehicle Identification Number (VIN), shall be titled by the jurisdictional authority in the state where domiciled, with sales/*excise or similar* taxes collected and any applicable liens perfected.

- Recreational park trailers which meet the size requirements for highway transport without a special movement permit may be registered and assigned license plates. Recreational park trailers that are allowed highway movement only with a special highway movement permit may not be registered and would be subject to the laws in the state where domiciled.

The recreational park trailer should be subject to the same laws and regulations as are applied to all other towable recreational vehicles including, but not limited to, any licensing, bonding, and franchise or warranty requirements currently applicable to such manufacturers and/or their dealers.

PURPOSE

To establish some uniformity and consistency in how these trailers are handled within jurisdictions. Currently, there is no uniform approach to how these vehicles are titled or not, registered or not. The policy is present to provide guidelines for those jurisdictions that in fact title and/or register these trailers.

BACKGROUND

Recreational Park Trailers are now being marketed in all US States, except for Hawaii, and are experiencing a rapid period of growth, a 30% increase in just the past year. The annual sales volume ranges from 7 to 9,200 units with an average selling price of \$32,000. A clear majority of the states title these units as Recreational Park Trailers and may also register some of these units, provided they are of a size allowed by the jurisdiction on the highways without a special movement permit (usually less than 8.5 feet in width). The most popular Recreational Park Trailers being 12 feet in width (or slightly less) are, of course, never registered for highway use and require a special movement permit to be transported.

Some states do not classify these units as Recreational Park Trailers, as this classification may not currently be available for their use. Instead, they title these products as travel trailers or mobile homes, trailer coaches, or even as manufactured homes. While for purposes of titling and the collection of sales tax this will work, the misclassification of these units by the DMV creates additional problems at the local and state levels with the collection of property taxes and the application of zoning laws. It also creates problems for the industry, as the misclassification creates confusion with finance and insurance firms that often leads to a shortage of insurance and lending services available for the consumer or the industry to use.

A few states do not even recognize these units as vehicles. As such, the product can still be sold but it must be sold as personal property (like a grand piano - not as a titled vehicle), subject only to the Uniform Commercial Code (UCC), requiring a bill of sale to transfer ownership. Under the UCC, a lien can be recorded at the county offices where the unit is being located. As such, these states operating without titles, placing the integrity of the titles granted by the other jurisdictional authorities into jeopardy, as these units, if moved into a non-title state, could be sold without any reference to a perfected title lien. While such a sale would be a fraudulent act, the lack of title lien integrity is another reason why lending firms are reluctant to finance these units.

Finally, because of the confusion and the lack of uniformity, units are sometimes being sold by entities that are not licensed, or required to be licensed in many jurisdictions; and as such, these units are often just transferred to the customer from a seller not located within the state where the product will be used, using only the Certificate of Origin as the document of ownership. This process gives the new owner the opportunity to title and pay the sales tax as he is legally required to do so - or not.

This issue was considered by VRT working group in 2003/4. This group included jurisdictional representatives as well as representatives from the Recreational Park Trailer industry.

http://www.aamva.org/documents/nws_vrt_2005_05_RecTrailerPolicy.pdf

This policy position if approved and adopted by the jurisdiction it will provide a uniform approach to the handling of these trailers.

DISCUSSION

The application of the proposed policy will be welcomed in those jurisdictions where this confusion is indeed a problem. In other states where these trailers are not viewed as vehicles the policy would likely not be readily applied, however, should changes in how they handle these types of trailers be contemplated this policy could be viewed as good reference.

FISCAL IMPACT

There will be minimal fiscal impacts to the jurisdictions.

CUSTOMER SERVICE IMPACT

There will be minimal customer service impacts of this policy.

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LEGAL SUFFICIENCY:

AAMVA BOARD OF DIRECTORS:

JURISDICTIONAL COMMENTS: