

**STATE OF TENNESSEE
OFFICE OF THE ATTORNEY GENERAL**

June 25, 2015

Opinion No. 15-53

Registration of School Buses for Hire

Question 1

When a school bus is owned by a private contractor and operated under contract with the county to provide transportation to students attending county schools, should the bus be registered under Tenn. Code Ann. § 55-4-112(a), with the fee depending on the vehicle's seating capacity?

Opinion 1

Yes. A bus operated for hire to transport passengers should be registered under Tenn. Code Ann. § 55-4-112(a).

Question 2

Alternatively, should the school bus be registered under Tenn. Code Ann. § 55-4-111, Class (B); Tenn. Code Ann. § 55-4-111, Class (E); or as a freight motor vehicle under Tenn. Code Ann. § 55-4-113(a)(2), with the specific registration class and fee depending upon the weight of the vehicle?

Opinion 2

No.

ANALYSIS

As a condition precedent to the operation of any motor vehicle in Tennessee, the motor vehicle must be registered in compliance with the various requirements of title 55, chapter 4, of the Tennessee Code. Tenn. Code Ann. § 55-4-101(a)(1). You have asked about the application of those registration requirements to school buses that are owned by a private entity (the "Contractor") and are operated under contract with a county to provide transportation services for students attending the county schools. The county pays the Contractor for these transportation services and the use of the buses.

A bus is a "motor vehicle" as that term is defined for purposes of title 55, chapter 4. *See* Tenn. Code Ann. § 55-1-103(c) (defining "motor vehicle" as "every vehicle that is self-propelled" with the exception of motorized bicycles and electric trolleys). Thus, a school bus must be registered in compliance with title 55, chapter 4. *See* Tenn. Code Ann. § 55-4-101(a)(1).

Title 55, chapter 4, sets registration fees based on the classification of the particular motor vehicle. *See* Tenn. Code Ann. § 55-4-101(a)(2). Motor vehicles, generally, are subject to the fees

and taxes specified by class in Tenn. Code Ann. § 55-4-111. For example, a private bus, not for hire, is designated a Class (E) motor vehicle and is subject a registration fee of \$200.

But some motor vehicles are subject to registration fees under different statutory schedules. If a bus is operated “for hire” it does not come within the general classification system of § 55-4-111. Rather, registration fees for private and commercial motor vehicles operating for hire and transporting passengers are separately specified in § 55-4-112 and are pegged to the passenger seating capacity of the motor vehicle. Registration fees for freight motor vehicles are separately set under Tenn. Code Ann. § 55-4-113(a)(2) and are pegged to the weight of the vehicle.

Statutes are construed to “give effect to the legislative intent without unduly restricting or expanding a statute’s coverage beyond its intended scope.” *Owens v. State*, 908 S.W.2d 923, 926 (Tenn. 1995). Legislative intent is derived “from the natural and ordinary meaning of the statutory language within the context of the entire statute without any forced or subtle construction that would extend or limit the statute’s meaning.” *State v. Flemming*, 19 S.W.3d 195, 197 (Tenn. 2000).

Giving the language of the registration fee provisions its ordinary and natural meaning, it is clear that the buses come within the scope of Tenn. Code Ann. § 55-4-112, which sets the registration fees for all “private and commercial motor vehicles operating for hire who transport passengers.” Tenn. Code Ann. § 55-4-112(a). “Hire” means to engage the services of someone or something for a set sum or to engage the temporary use of something for a fixed sum. “Hire” is synonymous with “lease,” “rent,” and “charter.” Merriam Webster’s Collegiate Dictionary, 10th ed. The county engages the services of the Contractor and the use of the buses for a fee. The buses transport passengers, namely the students. Thus, the buses are private or commercial motor vehicles being operated for hire to transport passengers and Tenn. Code Ann. § 55-4-112 is, therefore, the applicable registration fee provision. The amount of the registration fee owed will depend upon the number of seats available to passengers. *Id.*

Giving the language of the registration fee provisions its ordinary and natural meaning, it is also clear that the general provisions of Tenn. Code Ann. § 55-4-111 do not apply to the school buses in question. That section applies only to buses that are “not for hire.” “Class (E) Private buses (not for hire)” is explicitly limited to “buses or motor driven coaches utilized exclusively for transporting either the owner or persons associated with the owner in a trade, business or vocation, or both of them, together with personalty constituting the tools of such trade, business or vocation, between places where such trade, business or vocation may be carried on, and not used to transport persons or property for hire.” Tenn. Code Ann. § 55-4-111(a)(1). The school buses do not come within the scope of “Class (E) Private buses (not for hire)” precisely because they are hired by the county to provide transportation services and because they are not used exclusively for transporting their owner or persons associated with the owner in a trade or business.

Similarly, the buses are not “freight motor vehicles” within the scope of Tenn. Code Ann. § 55-4-113(a)(2). “Freight motor vehicle” is defined together with “vehicle”: “‘vehicle’ and ‘freight motor vehicle’ means every device in, upon, or by which any person or property is or may be transported or drawn upon a highway . . .” Tenn. Code Ann. § 55-4-103(e). This definition at first glance appears to suggest that a “freight motor vehicle” could include a motor vehicle used to transport people, such as the buses in question. However, that reading would require the word

“freight” to be given the very opposite of its natural and ordinary meaning, which is “goods” or “cargo”—as opposed to persons—loaded for transportation. Merriam Webster’s Collegiate Dictionary, 10th ed. Considering the entire statutory context of § 55-4-113, which focuses on farm and logging vehicles, trailers, trucks, and tractors, the better way to construe the statute is to read the generic term “vehicle” broadly as something used to transport people or property, and to read the specific, specialized term “freight motor vehicle” more narrowly—and naturally—as a device used to transport property as opposed to one designed to transport people. This reading is supported by the fact that registration fees for freight motor vehicles are pegged to the weight of the vehicle, which makes sense when dealing with a vehicle that is not designed based on passenger seating capacity. Since the buses are used to transport school children, not goods or cargo, they are not subject to the registration classification designed for “freight motor vehicles.”

In sum, the plain language of Tenn. Code Ann. § 55-4-112 leaves little room for doubt that the school buses are motor vehicles operating for hire to transport passengers within the scope and meaning of Tenn. Code Ann. § 55-4-112(a). Thus, Tenn. Code Ann. § 55-4-112 is the registration provision applicable in this instance, and the registration fee will depend on the seating capacity of each bus.

HERBERT H. SLATERY III
Attorney General and Reporter

ANDRÉE SOPHIA BLUMSTEIN
Solicitor General

BRIAN J. RAMMING
Assistant Attorney General

Requested by:

The Honorable Richard H. Roberts, Commissioner
Tennessee Department of Revenue
Andrew Jackson State Office Building
Nashville, Tennessee 37242