

**FISCAL NOTE**  
**Requested by Legislative Council**  
**03/30/2015**

Amendment to: SB 2139

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill will transfer the issuance of snowmobile safety certification cards from Department of Transportation to Parks and Recreation Department and includes provisions for collisions, accidents, casualties, and liability in reference to snowmobiles and their riders.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

No Fiscal Impacts

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

No revenue impacts in this bill.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

No additional expenditures

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

None

**Name:** Matthew S Gardner

**Agency:** Parks and Recreation

**Telephone:** 7013285369

**Date Prepared:** 03/30/2015

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/23/2015**

Amendment to: SB 2139

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						\$22,416
Appropriations			\$310,299			

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill will transfer the administration of snowmobile licensing from the Department of Transportation to the Parks and Recreation Department. This bill will also remove the titling requirement for snowmobiles.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

A one time expenditure for the development of a web program through ITD will be needed to administer snowmobile licensing and renewals.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

No revenue impacts in this bill.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

An expenditure of \$310,299 will be needed for ITD to initially develop a web program to administer snowmobile licensing and renewals. ITD estimated \$22,416 will be needed biennially for on-going technology costs. These on-going costs will be covered by the State Snowmobile Fund.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The executive budget includes an appropriation of \$310,299 to Parks and Recreation Department for the development of the web program needed for administration of snowmobile licensing and renewals.

**Name:** Matthew S Gardner

**Agency:** Parks and Recreation

**Telephone:** 7013285369

**Date Prepared:** 01/23/2015

**FISCAL NOTE**  
**Requested by Legislative Council**  
**12/22/2014**

Bill/Resolution No.: SB 2139

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$310,000		\$310,000
Expenditures				\$120,000		\$195,000
Appropriations			\$310,299	\$120,000		\$195,000

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill will transfer the administration of snowmobile licensing from the Department of Transportation to the Parks and Recreation Department. This bill also includes an increase in the licensing fee of snowmobiles and removes the titling requirement.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Fiscal impacts will occur with the increased licensing fee which in turn will increase revenue into the State Snowmobile Fund. Also one time expenditure for the development of a web program to administer snowmobile licensing and renewals.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

At an average rate of 15,500 licensed snowmobiles per biennium there will be an additional \$310,000 deposited into the State Snowmobile Fund. These funds will be used to defray expenses incurred for maintenance and management of the State Snowmobile Trail System.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

An expenditure of \$310,299 will be needed for ITD to initially develop a web program to administer snowmobile licensing and renewals. ITD estimated \$22,416 will be needed biennially for on-going costs. On-going costs will be covered by the State Snowmobile Fund.

Operating costs for the State Snowmobile Trail System have increased 47% over the last 10 years, therefore the increased revenue will be used to defray these expenses. Projected 1st biennium expenses of \$120,000 with

estimated \$75,000 per biennium increase after that. These can only be estimates given the unpredictable nature of snow and the compounding expense rates when the trails are open. The program has seen nearly \$100,000 fluctuations from biennium to biennium driven by snow conditions.

No additional FTE's needed.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The executive budget includes an appropriation of \$310,299 to Parks and Recreation for the development of the web program needed for administration of snowmobile licensing and renewals.

The executive budget includes \$120,000 additional spending authority in the State Snowmobile Fund.

**Name:** Matthew S Gardner

**Agency:** Parks and Recreation

**Telephone:** 7013285369

**Date Prepared:** 12/31/2014

**2015 SENATE TRANSPORTATION**

**SB 2139**

# 2015 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2139  
1/16/2015  
Recording job number 22063

Subcommittee       Conference Committee

Committee Clerk Signature

*Doris E Pérez*

## **Explanation or reason for introduction of bill/resolution:**

To create and enact two new sections to chapter 39-24 of the North Dakota Century Code, relating to accidents and liability; to amend and reenact sections 39-05-02.2, 39-24-01, 39-24-02, 39-24-03, 39-24-03.1, 39-24-04, 39-24-05, 39-24-06, 39-24-07, 39-24-08, 39-24-09, 39-24-09.1, 39-24-10, 39-24-11, and subsection 2 of section 57-40.3-01 of the North Dakota Century Code, relating to the licensing of snowmobiles; and to provide an effective date.

## **Minutes:**

Attachments: 3

**Chairman Oehlke** opened the hearing on SB 2139, all committee members were present.

**Senator Oley Larsen**, District 3, Ward County: this bill was brought to me by Parks and Recreation; they want the licensing of snowmobiles to go to them instead of the Department of Motor Vehicles. Thru the bill there are some fee increases, the Governor requested no fee increases so I have amendments to strike that off (attachment # 1) and bring it back to what it originally was. This will make it easier for snowmobilers to get licensing. (0:39-2:02)

**Matthew Gardner**, Recreation Division Manager, North Dakota Parks and Recreation Department (NDPRD): Supports the bill and the removal of fee increases. See attached testimony # 2. This bill will also benefit vintage snowmobile owners making it easier to register and title them. The effective date would be 7/01/2016. Snowmobile owners would pay a retail tax instead of an excise tax. Included chart showing titling requirements in other states. In response to **Chairman Oehlke's** question now we track them down thru VIN, owner's name, make and model of the machine (2:23-9:46)

**Senator Sinner**: a sticker goes in the snowmobile? How the fee changes thru the amendment change the fiscal note?

**Matthew Gardner**: Yes. The revenue would go away; the dollar amount for the computer system would stay the same in the fiscal note. We support the amendment. No, **Vice Chairman Casper**, it is not possible for more than one snowmobile to have the same VIN. We currently license out of state snowmobiles, we would integrate the two processes together.

**Senator Rust** what is the downside of this bill? Section 15 deals with accident liability... there was nothing in the law previous to this? On page 9 section B regarding chasing or harassing wildlife, what is the penalty?

**Matthew Gardner** our agency would be doing more work; it would integrate with what we are currently doing. It mirrors the liability that Game and Fish has in their boater insurance, it simplifies things. Penalties would be in the Game and Fish regulations.

**Matthew Gardner** : No, **Chairman Oehlke** , it would increase efficiencies that would increase revenues, not monetarials. DOT defines what legal operating vehicles are, so we look to them for the definitions. Linda Sitz, Director, Motor Vehicle Division of the North Dakota Department of Transportation (DOT) nodded in affirmation.

**Erik Dietrich** , Lead Instructor for ND Parks & Rec, addressed penalties p 12 line 1 39-24-11. Penalties (18:22-19:16)

**Miles Vosberg**, Office of the ND Tax Commissioner, yesterday's bill looked at tax implications only. There is similar program with Game and Fish. In response to **Vice Chairman Casper**, under current law, anything that is subject to the motor vehicle excise tax, each time the title changes the tax is due again from the new owner, unless there is some specific exemption. For sales tax it has to be a retail sale, basically sold by a business, if sold by individual it's a casual sale under the sales tax law and not subject to tax. (19:34-22:15)

**Dan Rouse**, Legal Counsel for the Tax Commissioner's Office: we will have an amendment on page 13 line 20, there was an error we need to remove the word snowmobile.

**Keri Wanner**, Executive Director of Snowmobile North Dakota Attachment #3, in favor of the bill. Described the association and its relationship with the Parks and Recreation Department. Page 3-2 to 3-3 outlines legislative objectives and recommendations (23:45-40:22). In response to **Senator Axness**, we supported fee increases before we met with DOT. There would be no additional fees. Yes, **Senator Rust**, (page 3-3) , younger kids are already riding, ages 10-11, we need to educate them and their parents.

**David Vad**, owner Johnson Sports Center, Bottineau, ND, In favor of this bill. I was asked to come here for my point of view as a dealer. This bill simplifies everything. Answered questions from the committee. No, **Chairman Oehlke** an earlier effective date wouldn't be more convenient. We still have to deal with DOT for licensing other vehicles, it will take transition period. (31:45 - 39:02)

**Chairman Oehlke**: No additional testimony. Hearing closed. We will wait for the amendments to be ready.

# 2015 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2139  
1/22/2015  
Recording job number 22368

Subcommittee

Conference Committee

Committee Clerk Signature

*Deis & Perez*

## **Explanation or reason for introduction of bill/resolution:**

To create and enact two new sections to chapter 39-24 of the North Dakota Century Code, relating to accidents and liability; to amend and reenact sections 39-05-02.2, 39-24-01, 39-24-02, 39-24-03, 39-24-03.1, 39-24-04, 39-24-05, 39-24-06, 39-24-07, 39-24-08, 39-24-09, 39-24-09.1, 39-24-10, 39-24-11, and subsection 2 of section 57-40.3-01 of the North Dakota Century Code, relating to the licensing of snowmobiles; and to provide an effective date

## **Minutes:**

Attachments: 2

**Chairman Oehlke** went through the proposed amendments, attachment #1. (0:28-4:57)

**Vice Chairman Casper** moved to adopt amendment, as amended to overstrike (page 13 line 20) "snowmobile"

**Senator Rust** seconded the motion

**Voice vote: all in favor**

**Senator Sinner:** do we have to pass SB 2164 after we pass this one? Will the fees be affected if we don't?

**Chairman Oehlke:** I will make sure we do them in the correct order when we get on the floor.

**Senator Sinner** moved do pass as amended and re-amended

**Vice Chairman Casper** seconded the motion

Roll call vote was taken: Yes 6 No 0 Absent 0

Carrier: **Senator Sinner**

January 22, 2015

1/22/15  
JAC

PROPOSED AMENDMENTS TO SENATE BILL NO. 2139

Page 1, line 4, after the third comma insert "and"

Page 1, line 5, after the semicolon insert "to provide a penalty;"

Page 4, line 2, remove the overstrike over "five"

Page 4, line 2, remove "sixty"

Page 4, line 10, remove the overstrike over "~~For each snowmobile registered under the provisions of this chapter,~~"

Page 4, remove the overstrike over line 11

Page 5, line 31, remove the overstrike over "fifteen"

Page 5, line 31, remove "twenty"

Page 11, line 3, remove the overstrike over "net"

Page 13, line 20, overstrike "snowmobile,"

Page 13, line 23, replace "**EXPIRATION**" with "**EFFECTIVE**"

Renumber accordingly





**REPORT OF STANDING COMMITTEE**

**SB 2139: Transportation Committee (Sen. Oehlke, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2139 was placed on the Sixth order on the calendar.

Page 1, line 4, after the third comma insert "and"

Page 1, line 5, after the semicolon insert "to provide a penalty;"

Page 4, line 2, remove the overstrike over "five"

Page 4, line 2, remove "sixty"

Page 4, line 10, remove the overstrike over "~~For each snowmobile registered under the provisions of this chapter,~~"

Page 4, remove the overstrike over line 11

Page 5, line 31, remove the overstrike over "fifteen"

Page 5, line 31, remove "twenty"

Page 11, line 3, remove the overstrike over "net"

Page 13, line 20, overstrike "snowmobile,"

Page 13, line 23, replace "**EXPIRATION**" with "**EFFECTIVE**"

Renumber accordingly

**2015 HOUSE TRANSPORTATION**

**SB 2139**

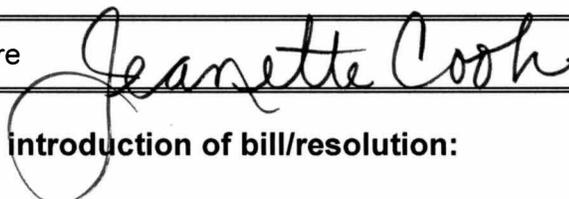
# 2015 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee  
Fort Totten Room, State Capitol

SB 2139  
3/12/2015  
# 24734

Subcommittee  
Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A bill relating to accidents and liability; relating to licensing of snowmobiles; to provide a penalty; and to provide an effective date.

## Minutes:

Attachments #1 - 2

**Chairman Dan Ruby** opened the hearing on SB 2139.

**Senator Armstrong, District 36**, stood to introduce SB 2139. He stated that the bill moves snowmobiles out of the Department of Transportation and into Parks and Recreation Office. The organizations that worked on this bill have been very organized, done their homework, and know snowmobiles very well. He feels that this is a good bill and would like to see it move forward.

**Matthew Gardner, Recreation Division Manager for the North Dakota Parks and Recreation Department (NDPRD)**, spoke to support SB 2139 and provided written testimony. See attachment #1.

**Representative Kathy Hawken:** Do you have any figures as to how much money is being lost in excise tax?

**Matthew Gardner:** I don't have those figures. Myles Vosberg, from the North Dakota Tax Department may be able to answer those questions.

**Vice Chairman Lisa Meier:** The fiscal note shows that the IT portion of this would be \$310,000. Do you foresee having to hire any additional FTEs?

**Matthew Gardner:** No, we don't anticipate having to hire any additional FTEs. The \$310,000 is in our appropriations in the Executive Budget.

**Representative Gary Paur:** We just had a bill from the Department of Transportation on the snowmobiles about changing it from excise tax to sales tax. We voted to keep the excise tax. Now you want to move it to a sales tax?

**Matthew Gardner:** That is correct. There was a bill that the State Tax Department brought forward to change off-highway vehicles and snowmobiles from excise tax to retail tax. From our side as the Parks and Recreation Department, in order to do the registrations with our process, we felt that it made more sense to not have to do the retail tax. That way the retailer is handling the distribution of sales tax and not our agency. I spoke with the Tax Department, and our agency can distribute those tax funds if we need to collect excise tax. So, that possibility is there, but as we toured the state and held meetings, we found that the snowmobile community was in favor of the retail tax over the excise tax.

**Chairman Dan Ruby:** On Page 3 why did there used to be language about the size of the sticker?

**Matthew Gardner:** This is the sticker (displayed). It will be standard. We will remain doing the same thing. So, the language is now irrelevant.

**Chairman Dan Ruby:** On Page 5 the language about the safety fee report is being struck. What is a safety fee, what is it being used for, and why is it being struck?

**Matthew Gardner:** Currently, we collect a safety fee of \$5.00 on every vehicle that is sold. That is vetted in other portions of the Code. In this portion it says, "Our department shall report to the director.." and in this case it would mean the director or the Department of Transportation, but since we would be no longer reporting to the Department of Transportation, there was no need to report the safety fees being collected to the director.

**Chairman Dan Ruby:** Do you collect that fee on every snowmobile and ATV or every vehicle that is sold in North Dakota, and what it is used for?

**Matthew Gardner:** It is for snowmobile and off-highway vehicles. It is a \$5.00 fee and only charged to dealers. It is specifically earmarked for our Safety Certification Programs.

**Representative Lois Delmore:** Do you have a list of your fees, where they go, and how much they are?

**Matthew Gardner:** We can provide that. The next bill SB 2164 will be a portion of the fee increase, so some of those will be covered in that bill. This bill does not change any fees.

**Chairman Dan Ruby:** What was the trail tax, and why is it being changed to license fee?

**Matthew Gardner:** When the Department of Transportation managed the program, the actual registration fee was \$5.00. Then there was a \$35.00 trail tax. The Department of Transportation would keep the \$5.00 for administration of the program, and the \$35 would go to the state snowmobile fund that we use to manage the state snowmobile trails. In working with our attorney, we found that registration implies certain things. In the process that we would administer, licensing made more sense. Since there is no "splitting of the funds" so to speak, the term licensing made more sense.

**Chairman Dan Ruby:** It mentions in the bill that currently the funds were distributed to the Highway Tax Distribution Fund. So, will that fund see a reduction?

**Matthew Gardner:** That is correct, but that fund was just a pass through, I think. The Department of Transportation can answer that better than I can.

**Chairman Dan Ruby:** In Section 15 are we putting into law that you must provide assistance or aid? Not everyone has the same capabilities. Then in Subsection 2 we are giving immunity for not succeeding in saving someone. Is that a good thing to put into law? What is the reasoning on that language?

**Matthew Gardner:** We worked with the Assistant Attorney General who is also the representative for the North Dakota Game and Fish Department. The pieces you are looking at under Section 15 mirror those in Code for the Game and Fish for boats. It was his call to put that in the bill.

**Chairman Dan Ruby:** I understand.

**19:00**

**Keri Wanner, Executive Director of Snowmobile North Dakota,** spoke to support SB 2139. Written testimony was provided. See attachment #2.

**Chairman Dan Ruby:** Most of the trails are in the East. Is that because of the population and use or just because of more snow?

**Keri Wanner:** Our organization is run by mostly volunteer groups. The groups that have started these trails are in the east, probably because of the population and the fact the areas get more snow.

**David Vad, snowmobile dealer from Bottineau, North Dakota representing dealers in the state,** spoke to support SB 2139. He believes that the dealer process working with the Department of Transportation isn't a bad one, but putting it over to North Dakota Parks and Recreation does help dealers tremendously as far as paperwork goes and availability to take machines in trade from out-of-country and out-of-state. It takes away a lot of the dealer's time, and makes it easier for the customers to do a transfer of registration. It is similar to the Game and Fish's boating law. We have been dealing with that for years. This falls under North Dakota Game and Fish as well. I don't think the numbers will be that big of a deal. We haven't had to worry about it with the marine industry. The other portion that is really nice about this bill is that since our state is becoming vintage, and we like history, we want to be able to register these snowmobiles both for insurance reasons and because they are old. We should have some type of documentation to sell them back and forth. The vintage era in North Dakota is getting to be huge. There were over 120 sleds in Deering, North Dakota three weeks ago. The problem is that they are old enough that they can't be registered. It is an incentive, and maybe we can get a little bit of money out of that vintage snowmobiling back into the state.

**Chairman Dan Ruby:** Why did you say that vintage snowmobiles can't be registered?

**David Vad:** A lot of the old ones did not have a title. They can title them and register them now, but when it comes to the vintage ones and do a three year license on them every

three years, you can't justify it. Some people have 20 or 30 of them. In the old car business you can put a pioneer plate on a car and show it or take it to a rally. A lot of the older vintage snowmobiles don't have registration, and the process through the Department of Transportation to license and title has gotten to be a lot tougher.

**Chairman Dan Ruby:** Can they get a trail permit when they don't have information as far as title numbers and such?

**David Vad:** I believe that as long as they have a serial number and title, they can get a trail permit. There are a lot of the snowmobiles, especially from the 70s, that don't have titles because they don't know where the titles or registrations are. They just go ride them. If this were through the Game and Fish, it would be a much easier process.

**Chairman Dan Ruby:** What about ATVs?

**David Vad:** The ATV's are still run through the Department of Transportation.

**Representative Lois Delmore:** Do most snowmobile owners carry liability insurance?

**David Vad:** Yes, they are required to carry liability insurance in the state of North Dakota.

There was no further support for SB 2139.  
There was no opposition to SB 2139.

**Miles Vosberg, North Dakota Tax Commissioner's Office,** spoke in a neutral capacity on SB 2139. He addressed the revenue question that was asked. Under current law all snowmobiles have to be registered, except snowmobiles that are used strictly on private land. Then there are situations in those cases where if the registration doesn't occur, the owner doesn't pay the tax. So, even though there would be some casual sales under the sales tax provision here, that would no longer be subject to tax, there would probably be some revenue lift because of these unregistered snowmobiles that are not being taxed right now. I don't know if it is total offset, but I think it would be fairly close.

**Chairman Dan Ruby:** By law we are required to self-report that, right?

**Miles Vosberg:** Yes, by law the purchaser should self-report and pay the use tax if they don't register the snowmobile. We find that doesn't always happen. There is a form that the purchaser can just fill out with the cost of the purchase and remit the tax to us. There are no other registration requirements for that.

The hearing was closed on SB 2139.

**Representative Lois Delmore:** Can you, the Department of Transportation, give us a synopsis on what it will be as far as the registration and so on.

**Linda Sitz, North Dakota Department of Transportation:** The Department of Transportation is in support of this bill but didn't have any official testimony. We worked with Parks and Recreation to move this over to this section. It seemed to be a better fit for

North Dakota to put this underneath the Parks and Recreation area. Currently, we charge \$40 for the renewal. Currently, there are 13,193 snowmobiles registered in the state of North Dakota and \_No audio\_#??\_ titled in the state of North Dakota. Our current registration expires in September of 2015. We asked Parks and Recreation to push that back, since we are doing the General Plate issuance and also doing a computer conversion, it worked out better for us. They were willing to work with us on that matter. So, we are currently in the process of working with a vendor to get a new decal. And the Parks and Recreation will also use the same decal, so there is no confusion with law enforcement.

**Chairman Dan Ruby:** How much staff time do you have dealing with this area that it will free up for you?

**Linda Sitz:** It is only 13,000 registrations. We register over one million vehicles a year, so 13,000 aren't going to affect staff time. With all the changes that we are doing for the computer conversion and the general plate issuance, it is not going to change anything for us.

**Chairman Dan Ruby:** It was stated before that the money that went into the Highway Distribution Fund was just a pass through. Was that correct?

**Linda Sitz:** Yes, and this registration is just every other year.

# 2015 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee  
Fort Totten Room, State Capitol

SB 2139  
3/13/2015  
#24818

Subcommittee  
Conference Committee

Committee Clerk Signature

*Jeanette Cook.*

## Explanation or reason for introduction of bill/resolution:

A bill relating to accidents and liability; relating to licensing of snowmobiles; to provide a penalty; and to provide an effective date.

## Minutes:

**Chairman Dan Ruby** brought SB 2139 back before the committee and reviewed the intent of the bill.

**Representative Robin Weisz:** I don't like this bill. I don't know why they would want to make this change. Most of us like the idea of having a title, and the Department of Transportation is already set up to operate this. They don't need any software changes or additions. The money is going to Snowmobile North Dakota based on our discussion on SB 2164, except for the actual cost, and Parks and Recreation is not going to do this for any less than the Department of Transportation, whose whole job is to do licensing. Currently, you just have to go to the Department of Transportation to do all of your vehicles. With this we will have to run to Parks and Rec. for snowmobiles. I think the system works fine the way it is now. I don't see the issue that it needs to be transferred.

**Chairman Dan Ruby:** It was explained to me that Parks and Rec. would be more readily available than the Department of Transportation for people that want to get a permits to ride on the week-end.

**Representative Robin Weisz:** It is available online right now, so that shouldn't be an issue. I will really resist this. The only issue may be for out-of-state if they show up, and they need a permit, but they can get one through Parks and Rec. to ride for a day.

**Vice Chairman Lisa Meier:** In testimony they thought that Parks and Recreation would offer more efficiency, but in listening to Representative Robin Weisz's thoughts, personally, I think that handling it through the Department of Transportation is a better process for efficiency.

**Representative Mike Schatz:** I have had a bad experience trying to get a boat license on a Friday afternoon, and Game and Fish was closed.

**Representative Rick C. Becker:** One of the concerns that I have with this bill is the transfer of something that is already being done to another agency. Then we will have increased costs with all the new man hours in the new agency, but we are not getting a credit for the now freed up man hours in the first agency where they are not doing these registrations. It is the never-ending increase in FTEs.

**Representative Robin Weisz moved a DO NOT PASS on SB 2139.  
Representative Rick C. Becker seconded the motion.**

**A roll call vote was taken: Aye 8 Nay 5 Absent 1  
The motion passed.**

**Representative Robin Weisz will carry SB 2139.**

# 2015 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee  
Fort Totten Room, State Capitol

SB 2139  
3/19/2015  
#25117

Subcommittee  
Conference Committee

Committee Clerk Signature

*Jeanette Cook*

## Explanation or reason for introduction of bill/resolution:

A bill relating to accidents and liability; relating to licensing of snowmobiles; to provide a penalty; and to provide an effective date.

## Minutes:

**Chairman Dan Ruby** brought SB 2139 back before the committee.

**Chairman Dan Ruby:** We passed this bill out with a DO NOT PASS, but Matthew Gardner from Parks and Rec. talked to Representative Robin Weisz because he adamantly wanted to keep the bill the way that it was. Representative Robin Weisz asked me to pull it off of the calendar, because he would like have a little more time to see if they could come up with a compromise on the bill.

It deals with moving registering snowmobiles to a licensing, and instead of being under the Department of Transportation it would be under Parks and Rec.

**Rep. Mark Owens made a motion to reconsider our action on SB 2139.**  
**Representative Lois Delmore seconded the motion.**

**A voice vote was taken. The motion carried.**

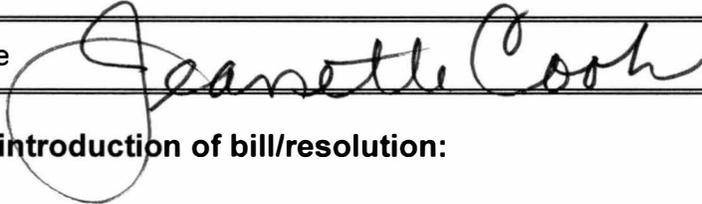
# 2015 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee  
Fort Totten Room, State Capitol

SB 2139  
3/26/2015  
#25459

Subcommittee  
Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A bill relating to accidents and liability; relating to licensing of snowmobiles; to provide a penalty; and to provide an effective date.

## Minutes:

**Chairman Dan Ruby** moved SB 2139 back before the committee.

## Representative Robin Weisz:

There are three issues:

- Snowmobile North Dakota is short of money, but they want to spend \$300,000 to move the registrations from the Department of Transportation to Parks and Recreation. There was discussion on some of the issues about why they want to make the change. My proposal was one thing discussed. They don't like titles, but I don't know why. My thought was that we will eliminate the requirement that snowmobiles be titled.
- Another issue is the \$5.00 that goes to the Department of Transportation could be done for less. I suggested that we reduced it to \$3.00 for the Department of Transportation, and the rest would go into the snowmobile trail tax.
- The third issue was that people like to just show up at an event and be able to get a registration right there. I suggested that they have the ability to write a three day permit at an event. They agreed to that, but they (Parks and Rec.) would still like to register the snowmobiles.

That was where we left the discussion. I felt that I had answered all of their concerns and don't still know why they want to spend all of that money to change the registration. It is my personal perspective that we should not move it away from the Department of Transportation.

**Vice Chairman Lisa Meier:** What is the benefit of getting rid of the title?

**Representative Robin Weisz:** The only benefit would be if the title was lost or misplaced it would be hard to get it registered.

**Chairman Dan Ruby:** In your proposal would they still have to pay the excise tax every time the snowmobile changed hands?

**Representative Robin Weisz:** Yes, if you register with the Department of Transportation.

Discussion on title vs. no title.

**Chairman Dan Ruby:** We will wait for amendments.

**Representative Gary Paur:** You don't have to license an ATV with a title, right?

**Representative Robin Weisz:** Right.

**Representative Gary Paur:** Would there be any advantage to do the same thing with the snowmobiles?

**Representative Robin Weisz:** That's what they really want to do.

**Chairman Dan Ruby:** What if you sell a snowmobile out-of-state, would you have to produce a title for that?

**Representative Robin Weisz:** The states have various laws. My understanding is if it is an untitled vehicle, coming into North Dakota for instance, you just have to show proof of purchase to get a title.

**Chairman Dan Ruby:** We will wait on this.

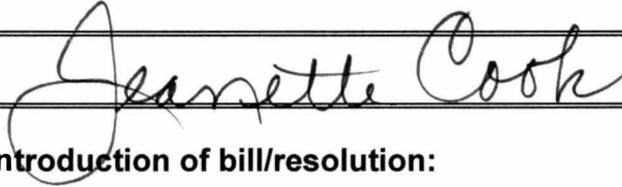
# 2015 HOUSE STANDING COMMITTEE MINUTES

Transportation Committee  
Fort Totten Room, State Capitol

SB 2139  
3/27/2015  
#25551

Subcommittee  
Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A bill relating to accidents and liability; relating to licensing of snowmobiles; to provide a penalty; and to provide an effective date.

## Minutes:

Attachment #1

**Chairman Dan Ruby** brought back SB 2139.

**Representative Robin Weisz** explained the amendments to SB 2139. See attachment #1. He stated that there would also be amendments to SB 2164.

**Representative Kathy Hawken:** The bill came in wanting to move snowmobile registration to the Parks and Recreation Department. They spent two years working on this. It bothers me that we are disregarding that. How does anyone else feel about that?

**Representative Robin Weisz:** I don't think it is up to the agency to decide what is good or bad. We set policy. We listened to testimony about increasing fees because we need more money for the trails, but yet it is okay to spend \$300,000 to implement a system that is already in effect on the Department of Transportation side. I struggle with that.

The other thing is that just because a group works on something for two years, it doesn't mean that that is the majority of the people affected. There are 15,000 registered snowmobiles. Many times there are groups that are really interested in something, but it doesn't necessarily reflect the overall population. I supported the increased fees.

**Chairman Dan Ruby:** On the bottom of Page 4 and Page 5, Section 5, dealing with snowmobile safety fees, are you leaving that in with the changes that includes the over strike?

**Representative Robin Weisz:** Yes, Section 5 should go away.

**Matthew Gardner, North Dakota Parks and Recreation:** In that section the dealer collects \$5.00 which goes toward the snowmobile safety program. Currently, we send a report to the Department of Transportation. If we did the registrations, we wouldn't feel the need to report to the Department of Transportation anymore. If you want us to report those numbers to the Department of Transportation, then you would remove that, but if you are comfortable with us just collecting the fees and using them as we see fit, I don't see an issue with that staying.

**Representative Robin Weisz:** Even if the registration stays, you don't see an issue that you need to report that anyway?

**Matthew Gardner:** Correct.

**Chairman Dan Ruby:** So, you will still charge the \$5.00 fee, but you won't need to report it?

**Matthew Gardner:** Yes. Also, there was something that was missed in the amendments. On the bottom of Page 13, Section 16, that portion of the bill may be an issue with the retail tax vs the excise tax. It wouldn't have been struck in the amendments. When people purchase a machine at a dealer, they would pay a retail tax. Currently, you don't pay tax at the dealer; you pay excise tax when you register the machine. Every time the machine changes hands you would again pay excise tax. The benefit to retail tax would be that the tax would only be paid when you purchase a machine from a dealer. A private sale from individual to individual would not pay tax on the machine again. I just wanted to make sure the committee was comfortable with leaving that in the bill.

Off mic. Discussion.

**Representative Robin Weisz:** That did get missed.

**Chairman Dan Ruby:** The change that we are talking about is still under the Department of Transportation, but more funds would come to the snowmobile fund. Do you see anything in the bill that would affect your appropriation?

**Matthew Gardner:** I don't see anything that will affect our appropriations. I would like to point out from visiting with the Department of Transportation about the titling; it would be an added expense for them to still issue a still issue a snowmobile registration but not with a title. Their program looks for the machine through a title search. In order for them to single out a snowmobile as an untitled vehicle, would take some work from ITD. That would be a lot of work, and either way there would be some costs. If North Dakota Parks and Rec. does the registration and develops that program, or removing the titling if the Department of Transportation keeps it. For the committee's information the \$310,000 for the computer program for us to manage the registrations is in our appropriations, so we would have to let them know what direction this goes. We had our appropriations hearing yesterday and there was no discussion on moving that out of our appropriations.

**Vice Chairman Lisa Meier:** If this is not broken, why fix it? The Department of Transportation is administering this right now and moving it over to Parks and Rec will be a big expense. I have some concerns over that.

**Matthew Gardner:** You are right; it is not a broken system. But, when we do our master planning, we poll all registered snowmobile owners whether they are members of SND or not. When we heard back from them in our strategic plan, they would like a more centralized program. Our agency currently handles the out-of-state permits, enforcement, and the management of the trails. The only piece that our agency doesn't manage is this registration piece. When you look at our agency as a whole, a lot of our campsites, state parks, picnic shelters, and cabins are all online rentals. That is thousands of dollars a year, so for us to do something like this, it is not something new for us.

**Vice Chairman Lisa Meier:** I don't know if the snowmobile users would know that it would cost over \$300,000 to transfer this over to Parks and Rec. Sometimes without those details it might cause people to think it makes sense to have it in Parks and Rec. If you consider the fact that the Department of Transportation is already administering this program quite well, it seems fine to leave it within the Department of Transportation.

**Matthew Gardner:** I would agree, people don't always see the extra cost. One other thing I would like to share is that we issue out-of-state permits online. It was \$15 and this body bumped it up to \$25. But, that is an online system, and ITD did an analysis of the program because it was getting older. We are going to have to go through and repair that system, and this program that would do the registration for all snowmobilers would also handle out-of-state. It would be kind of a one-stop-shop to get snowmobile permits, and be a way to convey information, similar to the Game and Fish website with extra information. It would be one integrated system for snowmobilers to come and purchase registrations.

**Representative Gary Sukut:** If we are going to register the snowmobiles through Parks and Recreation, where would people go to get this registration?

**Matthew Gardner:** The majority of this will be on online system. It will be a renewal type process. When a new one is purchased, it will be easy for them to register at the time of purchase. Much like boats, people can go online. There will also be a mail in card that people can mail in. The information will be checked (VIN # and such) and a registration will be mailed out. They won't physically have to go anywhere. They could go to a state park where the permits could be purchased. It will be an easy process.

**Representative Robin Weisz:** How many FTEs would you have to add?

**Matthew Gardner:** None, we did a decision document with Parks and Rec., the Department of Transportation, and Snowmobile North Dakota. It was decided that with what we are already doing, we feel like we can integrate this into our process. We have already agreed through this document, and we have already agreed that we are not going to request FTEs in the future for this program.

**Representative Robin Weisz:** Doing the SIGIS search on 15,000 snowmobiles and all the additional information isn't going to take any additional time from your staff?

**Matthew Gardner:** It would only be the first time purchases that need to be run through SIGIS. Most of what we see are going to be renewals.

**Chairman Dan Ruby:** To adopt the bill as it is, there shouldn't be any extra work. We don't need to amend it to do any clean-up. We also have the proposed amendments to keep it in the Department of Transportation. I would like to hear from Linda Sitz about how that would affect the Department of Transportation.

**Linda Sitz, Department of Transportation:** The comment was made that it is already in Department of Transportation and is working fine. The **current process** is working fine, but these amendments will cause our IT area to do a rewrite. Our current system does not do **just** registrations. It is set up to title as our base information, and then we can issue a registration. We do not JUST register items. It would be an IT expense. I asked the IT section about this yesterday. They are all working on our new vehicle registration system, and it would be a wasted expense for us to even change our current system. In June of 2016 we are going to a new system. At this point we don't know if that new system would be able to do **just** registrations. It is a cost product and so they are going to try to mirror what we are already doing. If this legislation changes, it will be an IT expense to us.

**Representative Robin Weisz:** It is not an issue if we stay with the current process?

**Linda Sitz:** The current process has been working for years and years.

**Representative Robin Weisz moved proposed amendments and put titles back in, delete language on Page 13, Section 16, and remove Page 2, Line 9.**

**Representative Gary Paur seconded the motion.**

**Representative Lois Delmore:** It seems interesting to me that Parks and Rec. is able to do this and have a lesser fiscal impact, so why would we want to move it back to the Department of Transportation?

**Representative Robin Weisz:** Where do they have a lesser fiscal impact? They are anticipating \$310,000, and there was no indication of exactly how many other expenses there will be.

**Representative Lois Delmore:** Is the bill as we are looking at the amendments going to make the Department of Transportation decide you need another employee to implement it?

**Linda Sitz:** To be honest, I am not sure that I am following all of the amendments that have been proposed in this bill.

**Chairman Dan Ruby:** The titling will stay the same. The renewals will stay the same. If we pass the proposed amendments in 2164, instead of the Department getting \$5, you will get \$3. As far as the amendments, I don't know if it changes what you are doing now.

**Linda Sitz:** If you look at 2164 where there is a decrease to \$3, currently the \$5 doesn't cover our cost, so if you decrease it, we will still do it, but we are not going to be covering our costs.

**A roll call vote was taken on SB 2139: aye 7 Nay 5 Absent 2  
The motion carried. (vote #1)**

**Representative Robin Weisz moved a DO PASS as amended on SB 2139.  
Vice Chairman Lisa Meier seconded the motion.**

**Representative Lois Delmore:** I really would have preferred to see this transferred over to Parks and Rec. I am afraid that we are going to see another fiscal note because of the changes that we have made. They have worked on this for several years, and they handle all of the booking for recreational vehicles. I just don't understand.

**Chairman Dan Ruby:** I think that if the bill had not been amended, our motion would have had to have been a DO PASS and rereferred to appropriations. With the amendment we won't need that.

**Representative Robin Weisz:** The original bill didn't retain the current system. This bill retains the current system, but makes some other changes that were requested.

**A roll call vote was taken on SB 2139 as amended: Aye 12 Nay 0 Absent 2  
The motion passed. (vote #2)  
Representative Robin Weisz will carry SB 2139.**

March 27, 2015

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3-27-15  
100

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2139

- Page 1, line 2, remove "39-05-02.2,"
- Page 1, line 3, remove "39-24-01,"
- Page 1, line 3, remove "39-24-03,"
- Page 1, line 3, remove "39-24-04, 39-24-05, 39-24-06,"
- Page 1, remove lines 8 through 24
- Page 2, remove lines 1 through 31
- Page 3, remove lines 1 through 4
- Page 3, line 7, remove the overstrike over "**registration**"
- Page 3, line 7, remove "licensing"
- Page 3, line 7, remove the overstrike over "~~Title certificate~~"
- Page 3, line 7, remove "Identification numbers"
- Page 3, line 11, remove the overstrike over "registered"
- Page 3, line 11, remove "numbered and licensed"
- Page 3, line 12, remove the overstrike over "~~titled under the provisions of~~"
- Page 3, line 13, remove the overstrike over "~~chapter 39-05~~"
- Page 3, line 13, remove "numbered and licensed"
- Page 3, line 14, remove the overstrike over "titled"
- Page 3, line 15, remove the overstrike over "~~under the provisions of chapter 39-05~~"
- Page 3, line 15, remove "numbered and licensed"
- Page 3, remove lines 16 through 31
- Page 4, remove lines 1 through 23
- Page 5, remove lines 7 through 31
- Page 6, remove lines 1 through 31
- Page 7, remove lines 1 through 4
- Page 7, line 15, remove "of the parks and recreation department"
- Page 7, line 16, remove the overstrike over the first "**registration**"
- Page 7, line 16, remove the first "licensing"
- Page 7, line 16, remove the overstrike over the second "~~registration~~"
- Page 7, line 16, remove "licensing identification"

Page 7, line 17, remove "as to provide clear legibility for identification"

Page 13, remove lines 17 through 24

Renumber accordingly

*AK*  
*3-27-15*  
*2 of 2*



**2015 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2139**

House Transportation Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar

Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Rep. Mark Owens    Seconded By Representative Lois Delmore

Representatives	Yes	No	Representatives	Yes	No
Chairman Ruby			Rep. Delmore		
Vice Chairman Meier			Rep. Hanson		
Rep. Rick Becker			Rep. Nelson		
Rep. Frantzvog					
Rep. Hawken					
Rep. Olson					
Rep. Owens					
Rep. Paur			<b>VOICE VOTE</b>		
Rep. Schatz			<b>MOTION CARRIED</b>		
Rep. Sukut					
Rep. Weisz					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

**2015 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2139**

House Transportation Committee

Subcommittee

Amendment LC# or Description: 15.8106.02001

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar

Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Representative Robin Weisz    Seconded By Representative Gary Paur

Representatives	Yes	No	Representatives	Yes	No
Chairman Ruby	X		Rep. Delmore		X
Vice Chairman Meier	X		Rep. Hanson		X
Rep. Rick Becker	X		Rep. Nelson		X
Rep. Frantzvog	A				
Rep. Hawken		X			
Rep. Olson		X			
Rep. Owens	A				
Rep. Paur	X				
Rep. Schatz	X				
Rep. Sukut	X				
Rep. Weisz	X				

Total (Yes) 7    No 5

Absent 2

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Attachment 1 - proposed amendments  
 Put titles back in the bill.  
 Delete - Page 13, Section 16, Page 2 Line 9

**2015 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2139**

House Transportation Committee

Subcommittee

Amendment LC# or Description: 15.8106.02001

Recommendation:      Adopt Amendment  
 Do Pass       Do Not Pass       Without Committee Recommendation  
 As Amended       Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:       Reconsider       \_\_\_\_\_

Motion Made By Representative Robin Weisz      Seconded By Vice Chairman Lisa Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Ruby	X		Rep. Delmore	X	
Vice Chairman Meier	X		Rep. Hanson	X	
Rep. Rick Becker	X		Rep. Nelson	X	
Rep. Frantzvog	A				
Rep. Hawken	X				
Rep. Olson	X				
Rep. Owens	A				
Rep. Paur	X				
Rep. Schatz	X				
Rep. Sukut	X				
Rep. Weisz	X				

Total      (Yes) 12      No 0

Absent 2

Floor Assignment Representative Robin Weisz

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2139, as engrossed: Transportation Committee (Rep. Ruby, Chairman) recommends  
DO NOT PASS (8 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING).**  
Engrossed SB 2139 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2139, as engrossed: Transportation Committee (Rep. Ruby, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2139 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "39-05-02.2,"

Page 1, line 3, remove "39-24-01,"

Page 1, line 3, remove "39-24-03,"

Page 1, line 3, remove "39-24-04, 39-24-05, 39-24-06,"

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Page 7, line 16, remove "licensing identification"

Page 7, line 17, remove "as to provide clear legibility for identification"

Page 13, remove lines 17 through 24

Renumber accordingly

**2015 CONFERENCE COMMITTEE**

**SB 2139**

# 2015 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2139

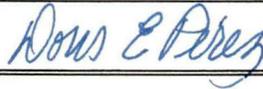
4/9/2015

Recording job number 25958

Subcommittee

Conference Committee

Committee Clerk Signature



## **Explanation or reason for introduction of bill/resolution:**

Relating to accidents and liability; relating to the licensing of snowmobiles; to provide a penalty; and to provide an effective date.

## **Minutes:**

Attachment: 0

**Chairman Campbell** opened the Conference Committee Hearing on SB2139, present were **Senator Rust, Senator Sinner, Rep Weisz, Rep Schatz** and **Rep Marvin Nelson**.

**Rep Weisz:** The Senate moved the registration process from DOT to Parks and Rec. and we moved it from Parks and Rec back to DOT. Rationale was the cost to DOT. SB 2164 approved money for snowmobile trails and it was suggested it be transferred to cover this bill, why not apply the money to the snowmobile trails and leave the registration where it is at? There never were any regulation problems with DOT nor with the renewal every two years. The problem had been mentioned of people showing up at the parks with no registration, well it is your responsibility to register. We also cleaned up some other technical issues. This bill did not go to appropriations.

**Matthew Gardner**, Recreation Division Manager, ND Parks and Rec, supports the bill as it came out of the Senate. The \$310K is a general fund request, purely for the development of the computer system. SB 2164 is an increase in registration fees that would go directly on to the snowmobile trails. The way the bill came out of the House the \$5 DOT fee for snowmobile registration would go to Parks and Rec.

**Senator Rust:** if there is no appropriation, should this bill stay or be killed?

**Matthew Gardner:** It would have to die.

**Senator Campbell:** Can Parks and Rec use your software to license snowmobiles?

**Linda Sitz**, Director, Motor Vehicle Division, ND Department of Transportation (DOT): currently we don't allow access to unaffiliated agencies. It is something we would have to explore. I would have to check with IT and run it by the Director.

**Senator Rust** quoted previous testimony about new registration system for 6/2016 and asked if the new system can be modified to do licensing and registration for snowmobiles?

**Linda Sitz**, this is an off the shelf product we don't have lot of wiggle room; to do those enhancements would be an IT expense.

**Senator Sinner**: any expense in the budget for the upgrade? Has it started yet?

**Linda Sitz** we have \$9M appropriated last session, we have the vendor selected and we are going thru conversations now. We have been doing data cleanup for the last 5 yrs. and it will go on until we go live with this system in 06/2016.

**Rep Schatz**: can DOT and Parks and Rec. both register snowmobiles?

**Linda Sitz**: anything is possible we just have to figure out a way to track the information and Parks and Rec would still need an upgraded system in order for them to do it.

**Senator Rust** this would be the time to do this, as long as we are developing this program, to have Parks and Rec access the snowmobile registration portion through DOT.

**Rep. Weisz**: that testimony was in reference to a House amendment to take away the titling requirement, there were costs associated, so we took it out of the bill.

**Senator Campbell** you said in January you were favorable to Parks and Rec, could you expand on this?

**Linda Sitz**: When Parks and Rec and DOT discussed this we had just come up with where does this fit the best and at that time the Director was in agreement that probably the best fit would be under Parks and Rec. Whatever the decision is, DOT will make it work.

**Senator Sinner** is Park and Recs registering any kind of vehicles today?

**Matthew Gardner**: yes, out of state snowmobile permits. This was before my time, snowmobilers migrate to where the snow is, years ago nearby states had very little, ND had a lot, so that was how out state snowmobiles permits were issued by us.

**Senator Campbell** the way I see this: the system is not broke, I am not ready to make any decisions. I would like to see where appropriations would be on it.

**Senator Sinner** snowmobile dealers have had some issues with licensing?

**Keri Wanner**, Executive Director, Snowmobile ND, when they take a trade from a customer who doesn't have a title for it, the dealer has to go through additional paperwork sometimes it can be astronomical to get through. Some of the dealers are leaving it up to the customer to title them.

**Senator Campbell** adjourned the meeting.

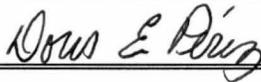
# 2015 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2139  
4/20/2015  
Recording job number 26257

Subcommittee  
 Conference Committee

Committee Clerk Signature



## **Explanation or reason for introduction of bill/resolution:**

Relating to accidents and liability; relating to the licensing of snowmobiles; to provide a penalty; and to provide an effective date.

## **Minutes:**

Attachments: 0

**Senator Campbell** opened the conference committee meeting, present were **Senator Rust** , **Senator Sinner** , **Rep. Weisz**, **Rep Schatz**, and **Rep Marvin Nelson**.

**Senator Campbell**: House Appropriations approved \$310K, the bill we have, version 2001, cleaned up a couple of things. There are three issues: eliminating the titles and that is because of the neighboring states, removing the tax and the DOT losing the licensing to Parks and Rec. DOT didn't have any problems with it either.

**Senator Rust**: for the sake of discussion I will move the Senate accede to the House amendments and amend.

**Senator Sinner** seconded the motion

**Senator Campbell**: House version we will accede to, will be version 2001.

**Rep. Weisz**: you are further amending? So the motion would strictly be to accede to the House version. If you accede to the House amendments, which is fine with me, the way the bill is (version 3000) it does not transfer to Parks and Rec.

**Senator Rust**: I would like to withdraw my motion

**Senator Sinner**: I would like to withdraw my second

**Senator Campbell**: the motion and the second have been withdrawn because of un-clarification on what we were reading. Does version 2000 cover what we are looking for?

**Senator Sinner**: I would like input from the other side of the table on what you would like to do with this bill, now that the House passed the appropriation for the software to do this for Parks and Rec.

**Rep Weisz**: the House was clear; they were leaving it with the DOT, it passed by a large margin, so I guess at this point that is our position. The money was not put in by the House; it was in the governor's budget. What is in front of us is version 3000; any changes would have to come off that. Either you would accede and then it would be this or we would have to recede from our amendments and further amend, this would be the motion that would work to put it back with Parks and Rec. If there were no changes at all and we were just to recede completely from our amendments that would get us back to the Senate version that came over to us.

**Senator Rust**: did both houses have put dollars into that and voted on it and approved it?

**Rep. Weisz**: we also voted not to do this based on this bill. I cannot speak why the House supported what came out of 2139.

**Senator Campbell**: Matt would you come up and refresh for us what you stated before?

**Matt Gardner**: Recreation Division Manager, ND Parks and Rec. the House kept many things from the original senate bill. What the House left in there that was important to us: who issues the safety certification cards (current law says DOT), but we do it already; some portions about liability and collision laws. If you strip the titling and registration transfer and the tax portion that is what you have in the House bill.

**Senator Sinner**: how does it work for boats, how long has game and fish had the boat program?

**Matt Gardner**: you can register your boat online, it is a 3 yr. registration, game and fish does it now. We model this program after game and fish program to register boats.

**Senator Campbell**: the original senate bill has everything we need.

**Senator Rust**: if the money is out there, the way to go is to approve the Senate version; if it is not there then we go to the House section.

**Senator Campbell**: we waited two weeks already to see where the money is going.

**Senator Sinner** moved House recede from House amendments and we pass the senate bill as the senate passed house version 2000.

**Senator Rust** seconded

Roll call vote was taken: Yes 3 No 3 Absent 0

**Senator Campbell**: the bill doesn't pass so we will meet again. Let me know what you want to do and when we will meet.

# 2015 SENATE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Lewis and Clark Room, State Capitol

SB 2139  
4/22/2015  
Recording job number 26357

Subcommittee  
 Conference Committee

Committee Clerk Signature

*Doris E. Perez*

## **Explanation or reason for introduction of bill/resolution:**

Relating to accidents and liability; relating to the licensing of snowmobiles; to provide a penalty; and to provide an effective date

## **Minutes:**

Attachment: 0

**Senator Campbell** called to order the conference committee on SB 2139, present were: Senators Rust and Sinner, Reps. Weisz, Schatz, and Nelson.

Senator Campbell: any discussion?

**Rep. Weisz:** we couldn't reach an agreement nor a compromise, whatever motion you look at we will entertain.

**Senator Campbell:** you are right it is either all or nothing.

**Rep. Weisz:** we have met twice so we need to resolve this one way or the other.

**Senator Campbell:** we have two versions, 2000 if the House recedes from House amendments, an option we would be open to, it goes back to the original bill which focuses on: no titles, no excise tax, changing to sales tax and having Parks and Rec license them, instead of DOT

**Rep. Schatz** moved House recede from House amendments

**Senator Rust** seconded the motion

**Rep. Nelson** supports it but wonders if it will pass the House.

**Senator Rust** wondered what would happen to the appropriated money if the bill is killed.

**Roll call vote was taken: Yes 5 No 1 Absent 0**

**Motion carries. Senate carrier: Senator Campbell House carrier: Rep. Weisz**

**2015 SENATE CONFERENCE COMMITTEE  
ROLL CALL VOTES**

SB NO 2139 as (re) engrossed

**Senate "Enter committee name" Committee**

- Action Taken**
- SENATE accede to House Amendments
  - SENATE accede to House Amendments and further amend
  - HOUSE recede from House amendments
  - HOUSE recede from House amendments and amend as follows
  
  - Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Sinner Seconded by: Senator Rust

Senators				Yes	No	Representatives				Yes	No
Campbell, Tom				X		Weisz, Robin					X
Rust, David				X		Schatz, Mike					X
Sinner, George				X		Nelson, Marvin					X
Total Senate Vote				3		Total Rep. Vote					3

Vote Count      Yes:   3        No:   3        Absent:   0  

Senate Carrier \_\_\_\_\_ House Carrier \_\_\_\_\_

LC Number \_\_\_\_\_ of amendment

LC Number \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment



**REPORT OF CONFERENCE COMMITTEE**

**SB 2139, as engrossed:** Your conference committee (Sens. Campbell, Rust, Sinner and Reps. Weisz, Schatz, M. Nelson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1088-1089 and place SB 2139 on the Seventh order.

Engrossed SB 2139 was placed on the Seventh order of business on the calendar.

**2015 TESTIMONY**

**SB 2139**

15.8106.01001  
Title.

Prepared by the Legislative Council staff for  
Senator Larsen

January 7, 2015

1-1

1-15-15

PROPOSED AMENDMENTS TO SENATE BILL NO. 2139

Page 4, line 2, remove the overstrike over "five"

Page 4, line 2, remove "sixty"

Page 5, line 31, remove the overstrike over "fifteen"

Page 5, line 31, remove "twenty"

Page 13, line 23, replace "EXPIRATION" with "EFFECTIVE"

Renumber accordingly

**SB 2139:**

Senate Transportation Committee  
Lewis and Clark Room, 9:00 A.M.  
Friday, January 16th, 2015

Mr. Chairman, members of the Senate Transportation Committee, my name is Matthew Gardner, Recreation Division Manager for the North Dakota Parks and Recreation Department (NDPRD). I appear today in support of SB 2139.

The Department supports the amendment introduced by Senator Larsen to remove the fee increases.

Under North Dakota Century Code § 39-24-05, the Parks & Recreation Department is responsible to administer the state snowmobile program. In turn, we contract with Snowmobile North Dakota (SND), the state's snowmobile association, to maintain the 2,800 mile state snowmobile trail system. This partnership has proven to be beneficial to the Department as well as the snowmobiling community. The Executive Director for SND will provide testimony later during this hearing.

Starting in 2012, the North Dakota Parks and Recreation Department (NDPRD), the North Dakota Department of Transportation (NDDOT) and Snowmobile North Dakota (SND) has had several meetings assessing the feasibility of transferring the administration of Snowmobile licensing from NDDOT to NDPRD. On October 20, 2014, a decision document was finalized between the 3 parties to pursue this transition. This is a logical fit for NDPRD and snowmobile enthusiasts because the Department currently manages the state snowmobile fund, coordinates statewide snowmobile safety efforts, out-of state snowmobile permitting, and serves as the state's liaison for this group. Research has shown that in the majority of states with snowmobile opportunities, the state's natural resource agency handles licensing of snowmobiles, similar to the North Dakota Game and Fish Department administering boat licensing. As part of the transfer, NDPRD would not require the titling of snowmobiles to keep current with national practices. Refer to the table at the bottom of this testimony with highlighted research. Both of these initiatives were outlined objectives in the 2013-2017 North Dakota Snowmobile Strategic Plan that surveyed North Dakota snowmobile owners and members of Snowmobile North Dakota.

A quick example of the benefit this bill would bring to snowmobile owners would relate to vintage snowmobiles. The state currently offers a collector snowmobile permit that allows vintage snowmobiles to pay a onetime fee and these snowmobiles can be used in parades, shows and even vintage rides up to 10 days per year. These types of snowmobiles are integrated into the culture of snowmobiling and with the current titling rules it is difficult to get these machines titled and registered. I am personally aware of an SND board member who has 20+ running vintage snowmobiles he is unable to register. I am aware of others the just register their snowmobiles in Minnesota to side step the titling process. This pertains to not only vintage snowmobiles but all snowmobiles. The goal of this bill is to make the licensing process easier for snowmobile owners.

This bill provides an effective date of July 1, 2016. The purpose is to allow time for development of the computer program to administer snowmobile licensing and renewals. Funding for this computer program is contained with the Executive Budget for the Department. The effective date also allows smooth transfer from NDDOT to NDPRD and to give time to notify snowmobile owners and dealers of this change.

As you can see by the length of this bill there are many changes which we worked through with our legal counsel and other affected agencies to accurately vet the transfer of snowmobile licensing throughout the entire applicable sections of code.

In reference to Bill Section 16 - Century Code 57-40.3-01 would adjust snowmobile owners from paying an excise tax to retail tax. This is in response to removing the titling requirement and would align tax practices of snowmobile purchases with boats. Myles Vosberg with the Tax Department testified on this yesterday and is here today to address any tax related questions the committee may have. In November 2014, myself and SND representatives toured North Dakota and held public meetings across the state addressing this specific piece of legislation. We found unanimous support across the state for what we will be accomplished in this bill and especially the tax change. Snowmobile owners felt it was more reasonable to pay tax when the snowmobile is initially purchased; not every time the snowmobile changes hands.

Senate Bill 2139 would allow the State to better serve snowmobile enthusiasts and create efficiencies within agencies. I ask for a DO PASS on Senate Bill 2139.

Mr. Chairman this concludes my remarks; I would be pleased to answer any questions the committee may have.

<u>Jurisdiction</u>	<u>Snowmobile Registration Administrator</u>		<u>Require Title</u>
<b>Colorado</b>	Colorado Parks & Wildlife		No
<b>Idaho</b>	Dept. of Parks & Recreation		Yes
<b>Iowa</b>	Iowa DNR		No
<b>Manitoba</b>	Dept. of Justice (MB Public Insurance)		No
<b>Michigan</b>	Dept. of State, Sec. of State Offices		No
<b>Minnesota</b>	MN DNR		No
<b>Montana</b>	Montana Fish, Wildlife & Parks		Yes
<b>North Dakota</b>	ND DOT		Yes
<b>Saskatchewan</b>	Saskatchewan Gov. Insurance		No
<b>South Dakota</b>	Dept. of Revenue		No
<b>Wisconsin</b>	WI DNR		No
<b>Wyoming</b>	WY State Parks Cultural Resources & Trails		Yes



Snowmobile North Dakota



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**TESTIMONY – SENATE BILL 2139  
SENATE TRANSPORTATION COMMITTEE  
JANUARY 16, 2015 – 9:00 AM  
LEWIS AND CLARK ROOM**

Mr. Chairman and members of the Senate Transportation Committee, my names is Keri Wanner and I am the Executive Director of Snowmobile North Dakota which represents an association of snowmobile enthusiasts in North Dakota. I appear today in support of Senate Bill 2139 relating to the licensing of snowmobiles.

Snowmobile North Dakota is contracted by the North Dakota Parks and Recreation Department to manage the state snowmobile trails. Our organization works with 36 snowmobile clubs, 14 trail associations and hundreds of statewide volunteers to manage 2,800 miles of snowmobile trail. With the help of the snowmobile clubs and associations, Snowmobile North Dakota secures land leases and trail insurance, inspects the state snowmobile trails, provides weekly trail reports and processes the annual trail expenses.

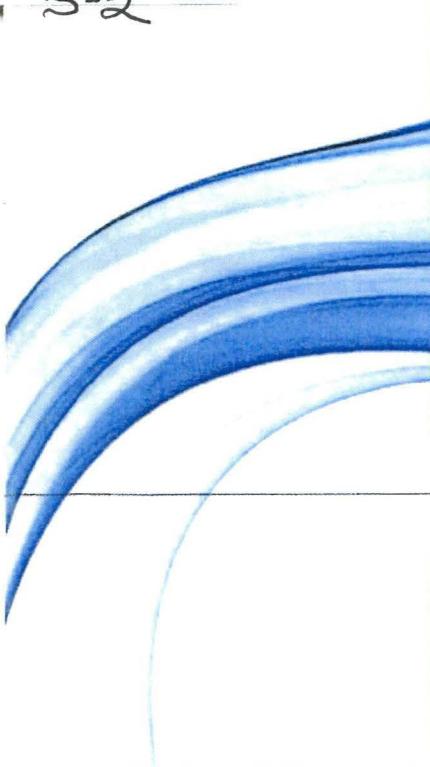
Every five years, in cooperation with one another, the North Dakota Parks and Recreation Department and Snowmobile North Dakota conduct a five year strategic plan. The current North Dakota Snowmobile Program Strategic Plan is for the period of 2013-2017. The plan outlines 35% of the registered snowmobilers in North Dakota are members of Snowmobile North Dakota. It also highlights six Focus Areas that cover everything from organizational development, trail management to legislative recommendations. Focus Area Six covers legislative recommendations and includes six objectives. Objective two focusses on transferring the snowmobile registration administration from the North Dakota Department of Transportation to the North Dakota Parks and Recreation Department. A copy of Focus Area six is on the backside of the testimony.

Objective two has been researched and discussed for the past three years and in cooperation with the North Dakota Department of Transportation and the North Dakota Parks and Recreation Department, Senate Bill 2139 has been introduced this session. The Departments and Snowmobile North Dakota feel it's a good fit to have the North Dakota Parks and Recreation Department administer the snowmobile registration program because they are already tasked with managing the state snowmobile trail system, the non-resident snowmobile registrations, the youth snowmobile safety education program and conducting enforcement on the trails.

Senate Bill 2139 is a bill with the full support of the snowmobiling community. Snowmobile North Dakota recommends a vote of Do Pass relating to the licensing of snowmobiles.

Mr. Chairman and committee thanks for your consideration of Senate Bill 2139 and I will take any questions from the committee.

3-2



## Focus Area #6 – Legislative Recommendations

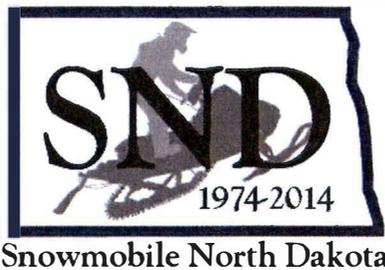
North Dakota Snowmobile Strategic Plan 2013-2017

As part of the North Dakota Parks & Recreation Department's oversight, it provides suggested legislative changes which are vetted through a number of channels prior to introduction. It is imperative that the agency actively weigh the political tides and the public pressure inherent with government against the appropriate need for the listed proposals to insure the integrity of the agency. Many of the recommendations will need the cooperation of other state agencies.

Snowmobile North Dakota has an expectation by its members to advocate for policies that further organizational objectives and benefit the trail program. Snowmobile North Dakota must also scrutinize proposals for their appropriate need and the credibility of the organization.

### Objectives

1. Change the registration term from biennial to annual to reduce impacts of low snow years.
2. Investigate having North Dakota Parks & Recreation Department take over registration. Currently the North Dakota Department of Transportation is seeing significant increases in workload and \$5 of the registration is taken to fund the registration process which North Dakota Parks & Recreation Department could do to increase amount of registration dollars going into the program.
3. Eliminate excise taxes on snowmobiles to be competitive with surrounding states.
4. Require that dealers register snowmobile at the time of purchase.
5. Increase fines for various snowmobile violations.
6. Consider reducing the allowable riding age to include under 12 to enhance education opportunities to those our research is showed are riding anyway.



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 Keri Wanner, Executive Director  
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[www.snowmobilend.org](http://www.snowmobilend.org)

**2015 Legislative Recommendations  
 North Dakota Snowmobile Trail Program**

**Legislative Recommendations for 2015:**

- Increase the snowmobile registration fee to \$60 per two year period (currently \$40).
- Transfer the snowmobile registration administration from the North Dakota Department of Transportation to the North Dakota Parks and Recreation Department.
- In order to enhance education opportunities and promote a fun family activity; snowmobile riders ages 10 and 11 may ride on public property including the state snowmobile trail system, as long as they have been certified by the North Dakota Parks and Recreation Department and are riding in the presence of a parent or guardian.

*The overall snowmobile trail program costs have increased 43% since the last registration fee increase in 2003.*

**Demand for Snowmobile Recreation:**

- 93% of North Dakota households feel outdoor recreation is important.
- 20% of outdoor recreation enthusiasts have a high interest in snowmobiling.

**Economic Impact of Snowmobile Recreation:**

- The average snowmobiler spends \$4,000 each year on snowmobile related recreation.
- Snowmobilers are caring neighbors and raise over \$3 million for charity annually.
- North Dakota snowmobilers spend seven nights a year in a lodge to enjoy the recreation.
- Snowmobilers in North Dakota spend over \$800 annually on parts, apparel and gear.
- North Dakota snowmobilers travel costs exceed over \$1,200 annually.
- The economic impact of snowmobiling in the United States is \$26 billion annually; worldwide its \$39 billion.

**2013-2017 North Dakota Snowmobile Program Strategic Plan Focus Areas:**

- Equip groomers with GPS tracking system to provide analytic reporting for trail reimbursements and trail status reporting (if the trail has been groomed or not).
- Increased funding for the snowmobile program to assist with trail maintenance expenses.
- Transfer the snowmobile registration administration from the North Dakota Department of Transportation to the North Dakota Parks and Recreation Department.
- Require that dealers register snowmobiles at the time of purchase.
- Reduce the allowable riding age to include under 12 to enhance education opportunities.
- Produce Public Service Announcements for trail safety and certification needs.

**Did You Know:**

- *It is common for a state's natural resource agency to manage the licensing of snowmobiles.*
- *The average annual snowmobile registration fee is \$44.86.*
- *10 states allow youth under the age of 12 to ride snowmobiles on public lands.*

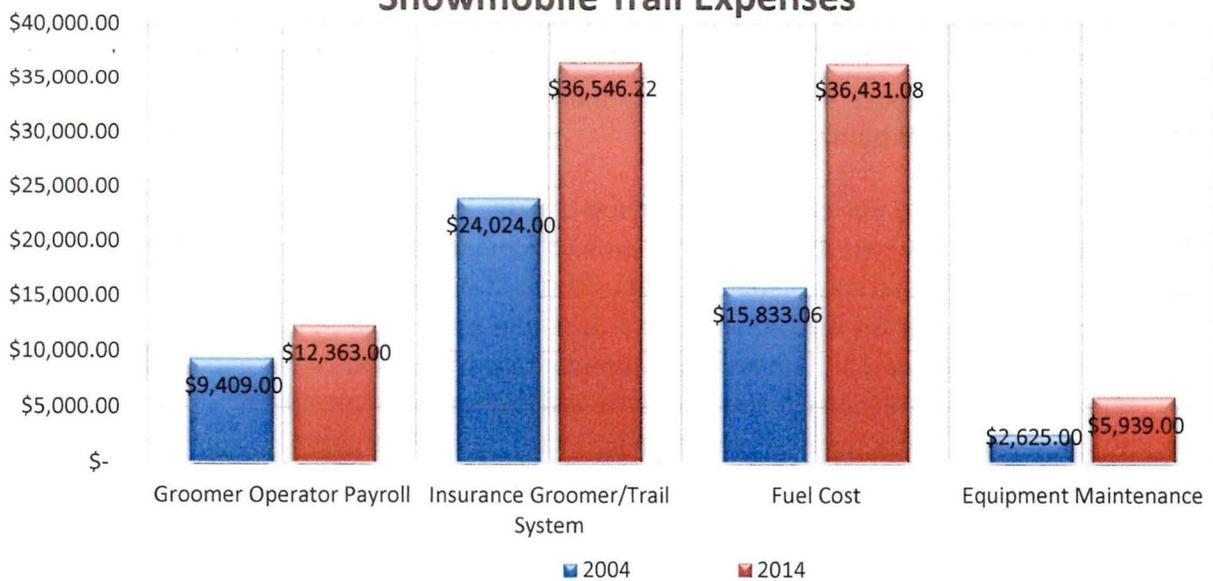
Explore ND's 2,800 miles of snowmobile trails!

**Snowmobile North Dakota (SND) is a non-profit organization that oversees the recreation of snowmobiling across the state. The organization is contracted by the North Dakota Parks and Recreation Department to manage the state trail system. The state trail system consists of over 2,800 miles of groomed trails and exists in 27 counties. The trail program relies heavily on snowmobile registration funding and on volunteer efforts to conduct trail maintenance.**

<u>Jurisdiction</u>	<u>Snowmobile Registration Administrator</u>	<u>Registration Fee</u>	<u>Require Title</u>	<u>Allow Youth Under 12 to Ride</u>
Colorado	Colorado Parks & Wildlife	\$30.25/Year, .25 goes to Search & Rescue	No	Yes
Idaho	Dept. of Parks & Recreation	\$32.50/year	Yes	Yes
Iowa	Iowa DNR	\$17.75/year plus a \$17.75/year user permit	No	Yes
Manitoba	Dept. of Justice (MB Public Insurance)	\$15/year plus a \$125/year user permit	No	Yes
Michigan	Dept. of State, Sec. of State Offices	\$30 for 3 years plus a \$45/year user permit	No	Yes
Minnesota	MN DNR	\$75 for 3 years for residents plus a \$35/year user permit	No	Yes
Montana	Montana Fish, Wildlife & Parks	\$60.50 for as long as you own the snowmobile	Yes	Yes
North Dakota	ND DOT	\$40/2 years	Yes	No
Saskatchewan	Saskatchewan Gov. Insurance	\$70/year (pursuing legislation to increase to \$90/year)	No	No
South Dakota	Dept. of Revenue	\$10/year	No	Yes
Wisconsin	WI DNR	\$30 for 2 years	No	Yes
Wyoming	WY State Parks Cultural Resources & Trails – Revenue Section	\$5/year plus a \$20/year user permit	Yes	Yes

***In 10 years, fuel costs have increased 57% to establish the state snowmobile trail system. Equipment and trail insurance expenses have increased 34%.***

### 10 yr Comparision of North Dakota's Annual Snowmobile Trail Expenses



**Resources:**

- 2013-2017 North Dakota State Comprehensive Outdoor Recreation Plan (SCORP)
- International Snowmobile Manufacturer's Association Snowmobiling Fact Book
- North Dakota Snowmobile Program Strategic Plan 2013-2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2139

Page 4, line 2, remove the overstrike over "five"

Page 4, line 2, remove "sixty"

Page 4, line 10, remove the overstrike over "~~For each snowmobile registered under the provisions of this chapter,~~"

Page 4, line 11, remove the overstrike over "~~there must be assessed a snowmobile trail tax in the amount of thirty five dollars.~~"

Page 5, line 31, remove the overstrike over "~~fifteen~~"

Page 5, line 31, remove "twenty"

Page 11, line 3, remove the overstrike over "~~not~~"

Page 13, line 23, replace "**EXPIRATION**" with "**EFFECTIVE**"

Renumber accordingly

**SB 2139**

Proposed "Housekeeping" Amendment

Page No. 11 Line 3

12. A ~~snowmobile~~person may ~~not be operated~~not operate a snowmobile within the right of way of any interstate highway within this state except:
- a. For emergency purposes; or
  - b. Across an interstate highway on an overpass or underpass, except where otherwise prohibited by law or by signing, provided the snowmobile crosses on the extreme right side of the overpass or underpass.

#1

**SB 2139:**

SB 2139  
3-12-15

1 of 2

House Transportation Committee  
Fort Totten Room, 9:00 A.M.  
Thursday, March 12<sup>th</sup>, 2015

Mr. Chairman, members of the House Transportation Committee, my name is Matthew Gardner, Recreation Division Manager for the North Dakota Parks and Recreation Department (NDPRD). I appear today in support of SB 2139.

Under North Dakota Century Code § 39-24-05, the Parks & Recreation Department is responsible administration of the state snowmobile program. In turn, we contract with Snowmobile North Dakota (SND), the state's snowmobile association, to maintain the 2,800 mile state snowmobile trail system. This partnership has proven to be beneficial to the Department as well as the snowmobiling community. The Executive Director for SND will provide testimony later during this hearing.

Starting in 2012, the North Dakota Parks and Recreation Department (NDPRD), the North Dakota Department of Transportation (NDDOT) and Snowmobile North Dakota (SND) has had several meetings assessing the feasibility of transferring the administration of Snowmobile licensing from NDDOT to NDPRD. On October 20, 2014, a decision document was finalized between the 3 parties to pursue this transition. This is a logical fit for NDPRD and snowmobile enthusiasts because the Department currently manages the state snowmobile fund, coordinates statewide snowmobile safety efforts, out-of state snowmobile permitting, lead agency for enforcement and serves as the state's liaison for this group. Research has shown that in the majority of states with snowmobile opportunities, the state's natural resource agency handles licensing of snowmobiles, similar to the North Dakota Game and Fish Department administering boat licensing. As part of the transfer, NDPRD would not require the titling of snowmobiles to keep current with national practices. Refer to the table at the bottom of this testimony with highlighted research. Both of these initiatives were outlined objectives in the 2013-2017 North Dakota Snowmobile Strategic Plan that surveyed North Dakota snowmobile owners and members of Snowmobile North Dakota.

A quick example of the benefit this bill would bring to snowmobile owners would relate to vintage snowmobiles. The state currently offers a collector snowmobile permit that allows vintage snowmobiles to pay a onetime fee and these snowmobiles can be used in parades, shows and even vintage rides up to 10 days per year. These types of snowmobiles are integrated into the culture of snowmobiling and with the current titling rules it is difficult to get these machines titled and registered. I am personally aware of an SND board member who has 20+ running vintage snowmobiles he is unable to register. I am also aware of others that just register their snowmobiles in Minnesota to side step the titling process. This pertains to not only vintage snowmobiles but all snowmobiles. The goal of this bill is to make the licensing process easier for snowmobile owners.

This bill provides an effective date of July 1, 2016. The purpose is to allow time for development of the computer program to administer snowmobile licensing and renewals. Funding for this computer program is contained within the Executive Budget for the Department. The effective date also allows smooth transfer from NDDOT to NDPRD and gives time to notify snowmobile owners and dealers of this change.

As you can see by the length of this bill there are many changes which we worked through with our legal counsel and other affected agencies to accurately vet the transfer of snowmobile licensing throughout the entire applicable sections of code.

In reference to Bill Section 16 - Century Code 57-40.3-01 would adjust snowmobile owners from paying an excise tax to retail tax. This is in response to removing the titling requirement and would align tax practices of snowmobile purchases with boats. The Tax Department testified on this last week and is here today to address any tax related questions the committee may have. In November 2014, myself and SND representatives toured North Dakota and held public meetings across the state addressing this specific piece of legislation. We found unanimous support across the state for what will be accomplished in this bill and especially the tax change. Snowmobile owners felt it was more reasonable to pay tax when the snowmobile is initially purchased; not every time the snowmobile changes hands.

Senate Bill 2139 would allow the State to better serve snowmobile enthusiasts and create efficiencies within agencies. I ask for a DO PASS on Senate Bill 2139.

Mr. Chairman this concludes my remarks; I would be pleased to answer any questions the committee may have.

<u>Jurisdiction</u>	<u>Snowmobile Registration Administrator</u>		<u>Require Title</u>
<b>Colorado</b>	Colorado Parks & Wildlife		No
<b>Idaho</b>	Dept. of Parks & Recreation		Yes
<b>Iowa</b>	Iowa DNR		No
<b>Manitoba</b>	Dept. of Justice (MB Public Insurance)		No
<b>Michigan</b>	Dept. of State, Sec. of State Offices		No
<b>Minnesota</b>	MN DNR		No
<b>Montana</b>	Montana Fish, Wildlife & Parks		Yes
<b>North Dakota</b>	ND DOT		Yes
<b>Saskatchewan</b>	Saskatchewan Gov. Insurance		No
<b>South Dakota</b>	Dept. of Revenue		No
<b>Wisconsin</b>	WI DNR		No
<b>Wyoming</b>	WY State Parks Cultural Resources & Trails		Yes

#2

SB 2139  
3-12-15



Snowmobile North Dakota

Laura Forbes, President  
Keri Wanner, Executive Director

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1 of 2

**TESTIMONY – SENATE BILL 2139  
HOUSE TRANSPORTATION COMMITTEE  
MARCH 12, 2015 – 9:00 AM  
FORT TOTTEN ROOM**

Mr. Chairman and members of the House Transportation Committee, my name is Keri Wanner and I am the Executive Director of Snowmobile North Dakota which represents an association of snowmobile enthusiasts in the state. I appear today in support of Senate Bill 2139 relating to the licensing of snowmobiles.

Snowmobile North Dakota is contracted by the North Dakota Parks and Recreation Department to manage the state snowmobile trails. Our organization works with 36 snowmobile clubs, 14 trail associations and hundreds of statewide volunteers to manage 2,800 miles of snowmobile trail. With the help of the snowmobile clubs and associations, Snowmobile North Dakota secures land leases and trail insurance, inspects the state snowmobile trails, provides weekly trail reports and processes the annual trail expenses.

Every five years, in cooperation with one another, the North Dakota Parks and Recreation Department and Snowmobile North Dakota conduct a five year strategic plan. The current North Dakota Snowmobile Program Strategic Plan is for the period of 2013-2017. The plan outlines 35% of the registered snowmobilers in the state are members of Snowmobile North Dakota. It also highlights six Focus Areas that cover everything from organizational development, trail management to legislative recommendations. Focus Area Six covers legislative recommendations and includes six objectives. Objective two focusses on transferring the snowmobile registration administration from the North Dakota Department of Transportation to the North Dakota Parks and Recreation Department. A copy of Focus Area six is on the backside of the testimony.

Objective two has been researched and discussed for the past three years and in cooperation with the North Dakota Department of Transportation and the North Dakota Parks and Recreation Department, Senate Bill 2139 has been introduced this session. The Departments and Snowmobile North Dakota feel it's a good fit to have the North Dakota Parks and Recreation Department administer the snowmobile registration program because they are already tasked with managing the state snowmobile trail system, the non-resident snowmobile registrations, the youth snowmobile safety education program and conducting enforcement on the trails.

Senate Bill 2139 is a bill with the full support of the snowmobiling community. Snowmobile North Dakota recommends a vote of Do Pass relating to the licensing of snowmobiles.

Mr. Chairman and committee members, thanks for your consideration of Senate Bill 2139 and I will take any questions from the committee.

## Focus Area #6 – Legislative Recommendations

### North Dakota Snowmobile Strategic Plan 2013-2017

As part of the North Dakota Parks & Recreation Department's oversight, it provides suggested legislative changes which are vetted through a number of channels prior to introduction. It is imperative that the agency actively weigh the political tides and the public pressure inherent with government against the appropriate need for the listed proposals to insure the integrity of the agency. Many of the recommendations will need the cooperation of other state agencies.

Snowmobile North Dakota has an expectation by its members to advocate for policies that further organizational objectives and benefit the trail program. Snowmobile North Dakota must also scrutinize proposals for their appropriate need and the credibility of the organization.

### Objectives

1. Change the registration term from biennial to annual to reduce impacts of low snow years.
2. Investigate having North Dakota Parks & Recreation Department take over registration. Currently the North Dakota Department of Transportation is seeing significant increases in workload and \$5 of the registration is taken to fund the registration process which North Dakota Parks & Recreation Department could do to increase amount of registration dollars going into the program.
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6. Consider reducing the allowable riding age to include under 12 to enhance education opportunities to those our research is showed are riding anyway.

#1

SB 2139  
3-27-15

PROPOSED AMENDMENTS TO SB 2139

Page 1, line 3, remove "39-24-01,"

Page 1, line 3, remove "39-24-03,"

Page 1, line 3, remove 39-24-04, 39-24-05, 39-24-06,"

Page 2, remove lines 10 through 31

Page 3, remove lines 1 through 4

Page 3, remove lines 16 through 31

Page 4, remove lines 1 through 23

Page 5, remove lines 7 through 31

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 4

Page 7, line 15, remove "of the parks and recreation department"

Page 7, line 16, remove the overstrike over the first "~~registration~~"

Page 7, line 16, remove the first "licensing"

Page 7, line 16, remove the overstrike over the second "~~registration~~"

Page 7, line 16, remove "licensing identification"

Page 7, line 17, remove "as to provide clear legibility for identification"

Renumber accordingly