

**1999 SENATE TRANSPORTATION**  
**SB 2161**

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2161

Senate Transportation Committee

Conference Committee

Hearing Date January 8, 1999

Tape Number	Side A	Side B	Meter #
1	x		1-1240
1		x	0-766
2- January 14, 1999	x		1974-3579
3-January 21,1999		x	2605-4277
Committee Clerk Signature <i>Asri A. Schaeffer</i>			

Minutes:

Senate Bill 2161 relates to the definition of recreational vehicle, vehicle registration fee credits, motor vehicle body damage disclosure, and correction of statutory references.

SENATOR B. STENEHJEM called the hearing to order at 9:00 a.m. in the Lewis and Clark room. Committee members present: Sens. B. Stenehjem-Chairman; R. Schobinger; D. Cook; D. Mutch; D. O'Connell; and V. Thompson. Senator Bercier was absent.

SENATOR B. STENEHJEM opened the hearing on SB 2161.

KEITH KISER, DEPARTMENT OF TRANSPORTATION testified in support of SB 2161 (See attached testimony and offered amendment).

SEN. SCHOBINGER This came about because of a race car? How would this clear up the interpretation of a recreational vehicle?

KEITH KISER It's our intent to specify what would be a recreational vehicle for the purpose of registration. For years, it has been an understanding in law enforcement that race cars do not fall under the recreational vehicle category. We now want to specify this.

SEN. B. STENEHJEM There is no fiscal note. Shouldn't we have one?

KEITH KISER We've been doing this administratively for years; I don't see a fiscal impact. In fact, it does not occur often.

SEN. B. STENEHJEM Correct me if I'm mistaken. If we follow the letter of the law, as it is written not as you interpret it, then anytime a title transfers from one person to another, no matter if it is a family member or not, than an excise tax must be paid at transfer time.

KEITH KISER That is correct, but there are tax exemptions for those type of transactions. You are also right in that, if we follow the letter of the law, when I transfer a vehicle from myself to my wife, I would be required to take the plates off of the vehicle. She would have to pay the licensing fee.

SEN. B. STENEHJEM I don't have a problem with transfers among family members and I don't think we were going to tax those instances. However, if I sold a vehicle to Sen. Thompson and I wasn't going to buy another vehicle than I could transfer that licensing fee to Sen. Thompson and he would get credit for that.

KEITH KISER That would be correct under the provisions of this bill. We are doing that now administratively, especially in the cases of family members and leasing instances. We also have cases in which personalized license plates that are unique to the vehicle may want to be transferred. In those cases, we have allowed those credits to be transferred.

SEN. MUTCH You still get stuck with a 6% excise tax in the transfer whether it's within the family or not. Is that right?

KEITH KISER There is a tax exemption when vehicles are exchanged for no monetary value among family members. Transfers within a corporation are generally taxable unless there is a recent business reorganization. There is a bill in the House Transportation Committee submitted by the tax department that sets a time period of 185 days in which a new business organization may do those type of transfers without being taxed.

SEN. B. STENEHJEM So we are allowing the general public to transfer the unused license amounts.

KEITH KISER In the current law, we cannot allow transfers between family members or anyone else. They must pay for new licensing fees. However, we are allowing it but we would like it specified in the statute so that we have the official authority to do it.

SEN. COOK This bill has nothing to do with excise tax just licensing fees, correct?

KEITH KISER Correct.

SEN. COOK If you trade in a vehicle to a car dealer for a new vehicle, do they still pull the license plate off? Can I transfer the unused credit to the car dealership so that they may sell it to the new owner?

KEITH KISER Yes, they do pull the license plates off. We do not allow that type of credit transfer to a dealer.

SEN. COOK How does this bill stop that?

KEITH KISER This bill gives us authority to establish procedures. It will allow us to stop that type of transaction because we'll have the authority to do it.

SEN. B. STENEHJEM Any other testimony? We will hold SB 2161 for discussion.

There was discussion among the committee. Side 2 of Tape # 1

SEN. B. STENEHJEM I worked extensively on the plate owner bill. It was never the intent to transfer license credit from one person to another. I don't have a problem with a transfer within the family.

SEN. MUTCH It's not only with cars but with trucks also.

SEN. B. STENEHJEM If that is the pulse of the committee then I would like to work with Mr. Kiser on an amendment for family members to transfer credit. Because there will be some fiscal impact to it; if I transfer my vehicle to one of you then we are escaping the excise tax. I'm worried that if there is not a tax liability on the family member who received the car then when you sell the car to Sen. Cook and transfer the license credit then, he too, can escape the tax liability. Plus, if he would have an accident and has your plates, the car would still be registered in your name until he turns it over.

SEN. THOMPSON I can see that scenario. I'm not being critical but if the department would run it by the legislators first they could iron some of those things out beforehand.

SEN. B. STENEHJEM We should pursue it more.

SEN. COOK When he brings in motorcycles for recreational vehicles, I believe some consideration should be given to race cars.

SEN. B. STENEHJEM We've exempted trailers from being licensed if they are hauling recreational vehicles. Is it the intent for race cars? Where do we draw the line for recreational vehicles? I don't like trailer registration in the first place.

SEN. SCHOBINGER Do other states recognize that part of our license registration?

SEN. B. STENEHJEM They do not recognize that North Dakota does not require licensing on recreational trailers. If one goes out of state with their trailer, they need to have it licensed.

Maybe we need to license all our trailers.

SEN. O'CONNELL At least there is a source to trace if it is ever stolen.

SEN. COOK Is there an annual fee every year?

SEN. B. STENEHJEM It is \$20.00 every year.

SEN. O'CONNELL Call the Highway Patrol to clear up some questions.

The Highway Patrol Department was called to answer the questions of the committee.

SEN. O'CONNELL We don't have to have trailers for recreational vehicles registered in North Dakota. If we go out of state are we forced to buy a license?

MARK BETHKE, ND HIGHWAY PATROL The Motor Vehicle Department issues an ID plate for \$5.00. There is no title that goes with that; it is generally used on those trailers that cross state and country borders.

SEN. O'CONNELL So you could be ticketed in Minnesota if you did not have one on your trailer?

MARK BETHKE They would certainly be stopped; I would hope in most cases other states would honor our licensing procedures.

SEN. B. STENEHJEM Do you know from first hand knowledge if people have been stopped for not having licenses on trailers?

MARK BETHKE People have been stopped because of the fact that they don't have registration.

SEN. O'CONNELL Would it make the Highway Patrol's job easier to track stolen trailers if all trailers had to be registered in North Dakota?

MARK BETHKE It would be easier to track those trailers. Trailers hauling over 1500lbs are required to be licensed. For instance, the pick up box trailer on its own does not have to be licensed unless one was going to haul something over 1500lbs.

SEN. B. STENEHJEM Is there a farm exemption?

MARK BETHKE There is no farm exemption for those types of trailers.

SEN. B. STENEHJEM What is the penalty for failure to register?

MARK BETHKE It is a \$20.00 fine.

SEN. THOMPSON When hauling a race car does it need to be licensed?

MARK BETHKE I don't think race car hauling would be recreational so it would need to be licensed. Any trailer hauling a boat or snowmobile are exempt no matter what the weight.

SEN. COOK We are trying to define a recreational vehicle.

SEN B. STENEHJEM held SB 2161.

January 14, 1999, Tape #1

There was a committee discussion on SB 2161.

SENATOR B. STENEHJEM When we get to the section on transferring registration from one to another, we're undoing the platelet owner bill. The platelet owner bill was designed to capture the excise tax instead of escaping paying it by transferring the registration credit. I had an amendment prepared that allows one to transfer the license plate to a blood relative (see amendment).

SENATOR O'CONNELL moved to accept the amendment.

SENATOR COOK seconded that motion.

1-14-99

The amendment for SB 2161 regarding the transfer between blood relatives was unanimously adopted.

SENATOR B. STENEHJEM Another amendment for motorcycles was proposed along with the bill. That's talking about hauling it on a trailer and then you wouldn't have to license a trailer.

SENATOR COOK That is a definition of a recreational vehicle.

SENATOR THOMPSON I was under the impression that they wanted to capture revenue from those that had not been licensed. If you have a licensed motorcycle than you don't need to license the trailer.

SENATOR SCHOBINGER No, any motorcycle is not qualified as a recreational vehicle. A dirt bike would qualify as a recreational vehicle but a license is needed for a trailer hauling a motorcycle.

SENATOR B. STENEHJEM My question is if you have a stock car on the trailer, does the trailer need to be registered? Yes, because it is not considered a recreational vehicle and, also, because you have the 1500 lb gross weight.

SENATOR THOMPSON The question we had is what constitutes having to have the trailer registered and what kind of dirt bike can you haul when you don't have to have the trailer registered.

SENATOR SCHOBINGER If the Department of Transportation won't license a dirt bike, then you can put it on the trailer and not have to license that trailer.

SENATOR B. STENEHJEM But if you have to have a bike with a license then you have to license your trailer. Why do they want to move the damage disclosure from eight to nine years?

SENATOR COOK It's less than nine years.



1-14-99

SENATOR B. STENEHJEM The only importance is the transfer of license credit. If we kill the bill than there is no reason why they should let one transfer the license credit to their child.

SENATOR MUTCH How important is that? How much is a license? There should be a fiscal note.

SENATOR THOMPSON I was troubled that the administrative department is doing something that they shouldn't be doing in the first place. Are they trying to fix something and make it legal that they shouldn't have been doing anyway?

SENATOR COOK I think, on the issue of family, this is not as excise tax.

SENATOR B. STENEHJEM If you gave your car to your daughter and kept your license registration, she'd have to get a whole new license. I don't know if that vehicle would be under any type of excise tax or not.

SENATOR COOK No, it would not be. It's treated as a gift.

SENATOR B. STENEHJEM Do you want to kill the bill?

SENATOR COOK If we kill the bill, we should keep the amendment.

SENATOR COOK moved to adopt the amendment on motorcycles.

SENATOR O'CONNELL seconded the motion.

The amendment on motorcycles was adopted unanimously and recorded in the minutes.

SENATOR COOK I believe the notion of keeping the damage disclosure at eight years instead nine years is a good idea.

SENATOR COOK motioned for a new amendment: on page 2, on line 4, delete the overstrike on eight and delete nine.

SENATOR THOMPSON seconded that motion.

1-14-99

The amendment was adopted unanimously.

SENATOR COOK He's trying to do four or five things. He's removing certain subsections.

This would cause them to be incorrectly numbered. I will go to Legislative Council and find out about the subsections 85 & 82. If the sequence changes, there should be a new number.

SENATOR B. STENEHJEM Will you go to Legislative Council? We'll hold this bill until we know for sure.

January 21, 1999 Tape #3- Committee Discussion

SENATOR B. STENEHJEM opened the discussion on SB 2161.

SENATOR COOK proposed amendment dealing with the subsections on SB 2161.

There was discussion on the amendment.

SENATOR COOK moved for an adoption of amendment 98251.0102.

SENATOR MUTCH seconded the motion.

SENATOR COOK The amendment does bring in all of the sections. The language is cleared up.

A vote was taken on the amendment; the amendment was unanimously adopted.

SENATOR COOK motioned for a Do Pass as Amended on SB 2161.

SENATOR MUTCH seconded the motion.

SENATOR SCHOBINGER I am going to vote against this bill because I think it is based on an isolated incident. The definition of an all-terrain vehicle is left up to the eye of the beholder. I think it will cause more hassle.

A roll call vote was taken on SB 2161 (5 Yeas, 2 Nays, and 0 Absent and Not Voting).

Date: January 21, 1999  
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB2161

Senate Transportation Committee

Subcommittee on \_\_\_\_\_  
or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken No Pass as Amended

Motion Made By Senator Cook Seconded By Senator Mutch

Senators	Yes	No	Senators	Yes	No
Sen. B. Stenehjem-Chairman	X				
Sen. R. Schobinger-V. Chair		X			
Sen. Duane Mutch	X				
Sen. Dwight Cook	X				
Sen. David O'Connell		X			
Sen. Vern Thompson	X				
Sen. Dennis Bercier	X				

Total (Yes) 5 No 2

Absent 0

Floor Assignment Senator Cook

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

**REPORT OF STANDING COMMITTEE**

SB 2161: Transportation Committee (Sen. B. Stenehjem, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2161 was placed on the Sixth order on the calendar.

Page 1, line 2, after "reenact" insert "subsection 67 of section 39-01-01,"

Page 1, line 3, remove "subsection 4 of"

Page 1, line 10, after "any" insert "motorcycle not qualified for registration,"

Page 1, after line 11, insert:

**"SECTION 2. AMENDMENT.** Subsection 67 of section 39-01-01 of the North Dakota Century Code is amended and reenacted as follows:

~~67.~~ 68. "Semitrailer" includes every vehicle of the trailer type so designed and used in conjunction with a truck or truck tractor that some part of its own weight and that of its own load rests upon or is carried by a truck or truck tractor, except that it does not include a "housetrailer" or "mobile home" as defined in subsection ~~82~~ 83."

Page 1, line 18, after "transferee" insert "if the transferor is the spouse, a sibling, or a lineal ancestor or descendant of the transferee"

Page 2, line 1, replace "Subsection 4 of section" with "Section"

Page 2, replace lines 3 through 12 with:

**"39-05-17.2. Body damage disclosure - Rules - When required - Penalty.**

1. The department shall adopt rules relating to the manner and form of disclosing motor vehicle body damage on the certificate of title to a motor vehicle. The rules must provide for a damage disclosure statement from the transferor to the transferee at the time ownership of a motor vehicle is transferred and provide that the department must refuse to transfer the title without the required damage disclosure statement.
2. Motor vehicle body damage disclosure requirements apply only to the transfer of title on ~~all current year models of a motor vehicles and those models~~ vehicle that was manufactured in the ~~seven~~ eight calendar years before the current ~~model~~ calendar year. When a motor vehicle has been subject to this disclosure requirement and more than eight years have elapsed since the date of manufacture, the holder of the certificate of title with the damage disclosure may have the disclosure removed and a new certificate of title issued for a fee of five dollars.
3. As used in this section, "motor vehicle damage" means a change in the body or structure of a motor vehicle, generally resulting from a vehicular crash or accident, including loss by fire, vandalism, weather, or submersion in water, resulting in damage to the motor vehicle which equals or exceeds the greater of five thousand dollars or forty percent of the predamage retail value of the motor vehicle as determined by the national automobile dealers association official used car guide. The term does not include body or structural modifications, normal wear and tear, glass damage, hail damage, or items of normal maintenance and repair.

4. A person repairing, replacing parts, or performing body work on a motor vehicle that ~~is less than~~ was manufactured in the eight calendar years old before the current calendar year shall provide a statement to the owner of the motor vehicle when the motor vehicle has sustained motor vehicle damage requiring disclosure under this section. The owner shall disclose this damage when ownership of the motor vehicle is transferred. When a vehicle is damaged in excess of seventy-five percent of its retail value as determined by the national automobile dealers association official used car guide, the person repairing, replacing parts, or performing body work on the motor vehicle that is less than eight years old shall also advise the owner of the motor vehicle that the owner of the vehicle must comply with section 39-05-20.2.
5. The amount of damage to a motor vehicle is determined by adding the retail value of all labor, parts, and material used in repairing the damage. When the retail value of labor has not been determined by a purchase in the ordinary course of business, for example when the labor is performed by the owner of the vehicle, the retail value of the labor is presumed to be the product of the repair time, as provided in a generally accepted autobody repair flat rate manual, multiplied by thirty-five dollars.
6. A person who violates this section or rules adopted pursuant to this section is guilty of a class A misdemeanor."

Renumber accordingly

1999 HOUSE TRANSPORTATION

SB 2161

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2161

House Transportation Committee

Conference Committee

Hearing Date March 5, 1999

Tape Number	Side A	Side B	Meter #
1		x	14.8-42.5
Committee Clerk Signature <i>Jane Kiser</i>			

Minutes:

CHAIRMAN KEISER OPENED THE HEARING ON SB 2161; A BILL RELATING TO THE DEFINITION OF RECREATIONAL VEHICLE; AND RELATING TO VEHICLE REGISTRATION FEE CREDITS, VEHICLE BODY DAMAGE DISCLOSURE, AND CORRECTION OF STATUTORY REFERENCES.

KEITH KISER, Motor Vehicle Division Director, Department of Transportation, introduced SB 2161. (See written testimony).

REP. BELTER asked if the Department expressed their concerns with the Senate when the bill was heard on that side.

KEITH said that the same initial amendments were requested, but the Senate amendments were added to the bill upon passage without telling him. The Department was unaware of the changes until they were made public.

REP. MEYER questioned page 1, Lines 10 and 11 regarding “when defined - required to be licensed.”

KEITH said that this referred to trailers transporting recreational vehicles.

REP. THORPE asked if a race car would be termed a recreational vehicle under this disclosure?

KEITH said not for purposes of this statute.

REP. MAHONEY asked what a vessel is.

KEITH said that the terminology was lifted from Game and Fish Regulations and meant anything that floats on water.

CHAIRMAN KEISER asked what is a recreational vehicle so the trailer does not have to be licensed. He suggested cleaning it up for the second owner.

KEITH said that the Department simply wanted to validate in the statute what they are already doing in policy. They are not comfortable doing this without legislation directing them to. This would give them the validation.

REP. BELTER questioned the amendment dealing with semi trailers.

KEITH said that the statutory reference was added by the Legislative Council in cleaning up the amendment legally.

REP. GRUMBO asked if reciprocity kicks in when one leaves North Dakota.

KEITH said that there is no specific statute clarifying that. He noted that those leaving the state are advised to the laws.

REP. MEYER asked if anyone can use unused credit, or if it is limited to the family.

KEITH said they initially tried to restrict it, but many requests came in from general public. It has been extended to anyone who chooses to give up their credit.



Page 3

House Transportation Committee

Bill/Resolution Number sb 2161

Hearing Date March 5, 1999

REP. GRUMBO asked if this isn't a loss or potential loss of excise tax?

KEITH said that the Department does not see it as a loss of revenue.

REP. THORPE noted the body damage. He mentioned his thoughts that it was not really workable.

KEITH agreed.

CHAIRMAN KEISER asked if this bill passes as engrossed, are there problems for the Department?

KEITH said that there won't be any fiscal impact. The only part that really concerns them is the body damage disclosure area.

CHAIRMAN KEISER CLOSED THE HEARING ON SB 2161.

#### COMMITTEE ACTION

REP. THORPE moved to ADOPT THE AMENDMENTS. REP. MAHONEY seconded the motion. The motion carried. A unanimous voice vote was taken in support of the amendments as presented by Keith Kiser.

REP. THORPE moved a DO PASS AS AMENDED OF SB 2161. REP. GRUMBO seconded the motion. The motion carried.

ROLL CALL - 11 YEA, 0 NAE, 4 ABSENT AND NOT VOTING.

FLOOR ASSIGNMENT - REP. THORPE

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2161

On page 1, line 3, after the second comma insert “subsection 4 of”

On page 1, line 24 remove “if the transferor is the spouse, a”

On page 2, line 1 remove “sibling, or a lineal ancestor or descendant of the transferee”

On page 2, line 8 after the period remove “Section” and insert “Subsection 4 of section”

On page 2, remove lines 10 through 30

On page 3, remove lines 1 and 2

On page 3, line 4 remove the overstrike over “~~is less than~~” and “~~old~~” and remove “was  
manufactured in the” and “calendar” and “before the”

On page 3, line 4 overstrike “eight” and insert immediately thereafter “nine model”

On page 3, line 5 delete “current calendar year”

On page 3, remove lines 14 through 22

Renumber accordingly

VK  
3/5/99

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2161 HTRN 3/8/99**

Page 1, line 3, after the second comma insert "subsection 4 of"

Page 1, line 24, remove "if the transferor is the spouse, a"

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2161 HTRN 3/8/99**

Page 2, line 1, remove "sibling, or a lineal ancestor or descendant of the transferee"

Page 2, line 8, replace "Section" with "Subsection 4 of section"

Page 2, remove lines 10 through 30

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2161 HTRN 3/8/99**

Page 3, remove lines 1 and 2

Page 3, line 4, remove the overstrike over "~~is less than~~", remove "was manufactured in the", overstrike "eight" and insert immediately thereafter "nine model", remove "calendar", remove the overstrike over "~~old~~", and remove "before the"

Page 3, line 5, remove "current calendar year"

Page 3, remove lines 14 through 22

Renumber accordingly

Date: 3/5  
 Roll Call Vote #: 1

**1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 2161**

House Transportation Committee

Subcommittee on \_\_\_\_\_  
 or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken More amendments

Motion Made By Rep Thorpe Seconded By Rep Mahoney

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair			Representative Thorpe		
Representative Mickelson, V. Ch.					
Representative Belter					
Representative Jensen					
Representative Kelsch					
Representative Kempenich					
Representative Price					
Representative Sveen					
Representative Weisz					
Representative Grumbo					
Representative Lemieux					
Representative Mahoney					
Representative Meyer					
Representative Schmidt					

Total (Yes) 11 No 0

Absent 4

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

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

Date: 3/5  
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2161

House Transportation Committee

- Subcommittee on \_\_\_\_\_
- or
- Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO PASS AS AMENDED

Motion Made By Rep Thorpe Seconded By Rep. Grumbo

Representatives	Yes	No	Representatives	Yes	No
Representative Keiser, Chair	✓		Representative Thorpe	✓	
Representative Mickelson, V. Ch.					
Representative Belter	✓				
Representative Jensen	✓				
Representative Kelsch	✓				
Representative Kempenich					
Representative Price	✓				
Representative Sveen					
Representative Weisz	✓				
Representative Grumbo	✓				
Representative Lemieux					
Representative Mahoney	✓				
Representative Meyer	✓				
Representative Schmidt	✓				

Total (Yes) 11 No 0

Absent 4

Floor Assignment Rep Thorpe

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

**REPORT OF STANDING COMMITTEE**

**SB 2161, as engrossed: Transportation Committee (Rep. Keiser, Chairman) recommends AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING). Engrossed SB 2161 was placed on the Fourteenth order on the calendar.

Page 1, line 3, after the second comma insert "subsection 4 of"

Page 1, line 24, remove "if the transferor is the spouse, a"

Page 2, line 1, remove "sibling, or a lineal ancestor or descendant of the transferee"

Page 2, line 8, replace "Section" with "Subsection 4 of section"

Page 2, remove lines 10 through 30

Page 3, remove lines 1 and 2

Page 3, line 4, remove the overstrike over "~~is less than~~", remove "was manufactured in the", overstrike "eight" and insert immediately thereafter "nine model", remove "calendar", remove the overstrike over "~~old~~", and remove "before the"

Page 3, line 5, remove "current calendar year"

Page 3, remove lines 14 through 22

Renumber accordingly

1999 SENATE TRANSPORTATION

SB 2161

CONFERENCE COMMITTEE

1999 SENATE CONFERENCE COMMITTEE

BILL/RESOLUTION NO. CC SB 2161

Conference Committee

Conference Committee

Hearing Date March 23, 1999

Tape Number	Side A	Side B	Meter #
March 23 - Tape 2	x		
March 30 - Tape 2	x		
April 1 - Tape 1	x		
Committee Clerk Signature <i>Spri. D. Schaeffbauer</i>			

Minutes:

SENATOR COOK opened the hearing on the Conference Committee for SB 2161. Members present included Senator Cook, Senator Bob Stenehjem, Senator O'Connell, Representative Meyer, Representative Belter, and Representative Weisz.

SENATOR COOK I think the House has two amendments to it; one deals with the body damage disclosure and the years involved with that and the other deals with the platelet owner transfer.

There are possibly some amendments to clean up another bill. Does someone from the House want to explain amendments to Section 4?

REPRESENTATIVE WEISZ The DOT informed us of the difficulty determining the actual year or model of the vehicle. It made more sense for us to go into the model year rather than the calendar year.



SENATOR COOK You were not trying to make changes to the number of years that are required?

REPRESENTATIVE WEISZ That is correct. It was not our intent to change the length of time but the way to record that time.

SENATOR COOK Keith Kiser's testimony made reference to statutes that was not uniform and that was the intent was to make everything uniform.

REPRESENTATIVE MEYER It was our understanding that he wanted to make everything uniform. It was my understanding that the model was what was going to make it consistent and not the calendar year. That was the purpose for the amendment.

SENATOR COOK It appears that we are defining the age affected entirely differently in Subsection 2 than Subsection 4.

REPRESENTATIVE WEISZ We based the changes on what DOT requested. Either they had a change of heart after your hearing or they are confused.

SENATOR COOK The intent was that this bill read the same as some other parts in the statute. It may be appropriate to bring Tim Dawson and Keith Kiser down here to come to an agreement. How about Section 3 and the platelet owner bill?

REPRESENTATIVE WEISZ Again, this came at the request of DOT and it made sense to transfer the plate. The Department felt it would make it simpler and cleaner. We didn't see any reason why we shouldn't allow the transfer if it would make it easier for the Department.

SENATOR B. STENEHJEM If you follow the platelet owner back to the original legislation in 1995, the purpose of the platelet owner was to capture and require people to register their vehicles as soon as they were sold. If they didn't have a license plate on they vehicle, they

would get stopped. The intent was not to let you transfer what was left of your license to the buyer. The family transfer makes sense but we wanted to capture and register the vehicles. I'd rather go back to no transfer than all being transferred.

SENATOR COOK Did DOT support this concept in 1995?

SENATOR B. STENEHJEM No, but the implementation did not take place until August 1, 1997. It gave them time to come up with a better plan but they never came back. If it changed to what the House wants, there would be a major fiscal impact.

SENATOR COOK These amendments that DOT gave the House repeals what was done in 1995.

REPRESENTATIVE MEYER In 1995, wasn't it your intent where you wanted people to transfer these titles right away and people weren't doing that?

SENATOR B. STENEHJEM Yes and by the owner of the vehicle keeping the license in their hands, that is what we were forcing to happen.

REPRESENTATIVE MEYER You want a double dip. If someone has a totally paid up license for a whole year and they sell that vehicle, you want to hit it twice.

SENATOR B. STENEHJEM If I have a plate and sell my vehicle and have eleven months of registration left, I have the ability to put it on the other car I bought. I can't give you my registration money. If you don't buy another vehicle then you are stuck with it.

SENATOR O'CONNELL Basically, it was trying to stop some of the sidewalk sales.

REPRESENTATIVE WEISZ I'd be more inclined to leave the law as is in that section. DOT had a problem with who can it be transferred to and how do they determine that.

SENATOR O'CONNELL I move for the House to recede.

SENATOR B. STENEHJEM I second.

SENATOR B. STENEHJEM If they recede then you can still transfer within family.

REPRESENTATIVE WEISZ I was under the impression that we would clear things up on the calendar years before we recede. Otherwise, I wouldn't oppose.

SENATOR O'CONNELL I withdraw my motion.

SENATOR B. STENEHJEM I withdraw my motion.

REPRESENTATIVE MEYER We received an e-mail from Keith Kiser. Tim drafted amendments for this.

SENATOR B. STENEHJEM Yes, they had a problem with the GEM car and these amendments address that. The overstrike should not be over brakes and it is. This is the amendment that we are looking at.

SENATOR COOK We can adjourn and have Keith Kiser and Tim Dawson meet with us to make sure the time length is consistent.

SENATOR COOK We will adjourn.

March 30 - Tape 2

SENATOR COOK proposed amendments 98251.0204. This reflects what we discussed in our previous conference committee (he explained them).

There was committee discussion.

REPRESENTATIVE WEISZ You're basing it on the model years but defining the calendar years.

SENATOR COOK Yes.

There was committee discussion.

Page 5  
Conference Committee  
Bill/Resolution Number Cc 2161  
Hearing Date March 23, 1999

SENATOR B. STENEHJEM explained his amendments. The last meeting we talked about the low speed vehicles and this takes the overstrike off of brakes.

REPRESENTATIVE WEISZ I motion that the House recedes from its amendments and further amend.

REPRESENTATIVE BELTER I second.

The roll call was taken. (6 Yeas, 0 Nays and 0 Absent and Not Voting).

SENATOR COOK We will close the conference committee on SB 2161.

March 30, 1999

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2161

That the House recede from its amendments as printed on pages 684 and 685 of the Senate Journal and page 757 of the House Journal and that Engrossed Senate Bill No. 2161 be amended as follows:

Page 1, line 4, remove "and"

Page 1, line 5, replace "section" with "sections" and after "39-18-01" insert ", and 39-29.1-08"

Page 1, line 6, after the comma insert "low-speed vehicles,"

Page 2, line 18, remove "a", remove the overstrike over "~~vehicles~~" and insert immediately thereafter "of a model year which have been released in the current calendar year", remove the overstrike over "~~and these~~", and remove "vehicle that"

Page 2, line 19, remove "was", overstrike "manufactured" and insert immediately thereafter "motor vehicles of a model year which were released", remove the overstrike over "~~seven~~", and remove "eight"

Page 2, line 21, overstrike "more than eight years have elapsed since the date of"

Page 2, line 22, overstrike "manufacture" and insert immediately thereafter "a motor vehicle of a model year has not been released in the current calendar year or the seven calendar years before the current calendar year"

Page 3, line 4, overstrike "that", remove "was manufactured in the", overstrike "eight", remove "calendar", overstrike "years", and replace "before" with "of a model year which was released in"

Page 3, line 5, after "year" insert "or the seven calendar years before the current calendar year"

Page 3, line 11, overstrike "that is less than eight years old" and insert immediately thereafter "of a model year which has been released in the current calendar year or the seven calendar years before the current calendar year"

Page 4, after line 26, insert:

**"SECTION 7. AMENDMENT.** Section 39-29.1-08 of the North Dakota Century Code as created by House Bill No. 1216, as approved by the fifty-sixth legislative assembly, is amended and reenacted as follows:

**39-29.1-08. Equipment.** A low-speed vehicle must be equipped with head lamps, front and rear turn signal lamps, tail lamps, stop lamps, reflex reflectors on each side as far to the rear of the vehicle as practicable and one red reflector on the rear, ~~four wheel hydraulic assist~~ brakes, a parking brake, a windshield, a vehicle identification number, a safety belt installed at each designated seating position, an exterior mirror

mounted on the operator's side of the vehicle, and either an exterior mirror mounted on the passenger's side of the vehicle or an interior rear view mirror."

Renumber accordingly

(Bill Number) SB 2161 (, as (re)engrossed):

Your Conference Committee

For the Senate:

Senator Cook
Senator B. Stenehjem
Senator O'Connell

For the House:

Representative Weiss
Representative Baltus
Representative Meyer

[ ] recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)
the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_ - \_\_\_\_\_

[ ] and place \_\_\_\_\_ on the Seventh order.

[ ], adopt (further) amendments as follows, and place
\_\_\_\_\_ on the Seventh order:

[ ] having been unable to agree, recommends that the committee be discharged
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the
calendar.

DATE: 03/30/99

CARRIER: \_\_\_\_\_

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted \_\_\_\_\_

Statement of purpose of amendment \_\_\_\_\_

(1) LC (2) LC (3) DESK (4) COMM.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2161, as engrossed:** Your conference committee (Sens. Cook, B. Stenehjem, O'Connell and Reps. Weisz, Belter, Meyer) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 684-685, adopt amendments as follows, and place SB 2161 on the Seventh order:

That the House recede from its amendments as printed on pages 684 and 685 of the Senate Journal and page 757 of the House Journal and that Engrossed Senate Bill No. 2161 be amended as follows:

Page 1, line 4, remove "and"

Page 1, line 5, replace "section" with "sections" and after "39-18-01" insert ", and 39-29.1-08"

Page 1, line 6, after the comma insert "low-speed vehicles,"

Page 2, line 18, remove "a", remove the overstrike over "~~vehicles~~" and insert immediately thereafter "of a model year which have been released in the current calendar year", remove the overstrike over "~~and these~~", and remove "vehicle that"

Page 2, line 19, remove "was", overstrike "manufactured" and insert immediately thereafter "motor vehicles of a model year which were released", remove the overstrike over "~~seven~~", and remove "eight"

Page 2, line 21, overstrike "more than eight years have elapsed since the date of"

Page 2, line 22, overstrike "manufacture" and insert immediately thereafter "a motor vehicle of a model year has not been released in the current calendar year or the seven calendar years before the current calendar year"

Page 3, line 4, overstrike "that", remove "was manufactured in the", overstrike "eight", remove "calendar", overstrike "years", and replace "before" with "of a model year which was released in"

Page 3, line 5, after "year" insert "or the seven calendar years before the current calendar year"

Page 3, line 11, overstrike "that is less than eight years old" and insert immediately thereafter "of a model year which has been released in the current calendar year or the seven calendar years before the current calendar year"

Page 4, after line 26, insert:

**"SECTION 7. AMENDMENT.** Section 39-29.1-08 of the North Dakota Century Code as created by House Bill No. 1216, as approved by the fifty-sixth legislative assembly, is amended and reenacted as follows:

**39-29.1-08. Equipment.** A low-speed vehicle must be equipped with head lamps, front and rear turn signal lamps, tail lamps, stop lamps, reflex reflectors on each side as far to the rear of the vehicle as practicable and one red reflector on the rear, ~~four wheel hydraulic assist~~ brakes, a parking brake, a windshield, a vehicle identification number, a safety belt installed at each designated seating position, an exterior mirror mounted on the operator's side of the vehicle, and either an exterior mirror mounted on the passenger's side of the vehicle or an interior rear view mirror."

Renumber accordingly



Engrossed SB 2161 was placed on the Seventh order of business on the calendar.

1999 TESTIMONY

SB 2161

SENATE TRANSPORTATION COMMITTEE  
JANUARY 8, 1999

North Dakota Department of Transportation  
Keith Kiser, Motor Vehicle Division Director

SB 2161

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Chairman Stenehjem and members of the Senate Transportation Committee: The North Dakota Department of Transportation supports SB 2161, which would make three changes to the current vehicle registration laws and license.

1. **On page 1, lines 10 and 11**, we propose that a definition of the term "recreational vehicle" be created. There is currently no definition for this term, although it is specifically referred to in section 39-04-18 of the North Dakota Century Code. This section exempts from registration any trailer being used to transport a recreational vehicle. Because the term is not defined, it has created confusion for trailer owners and law enforcement.

Last summer, a DUI case in Burleigh County was thrown out because the term is not defined. After making a traffic stop because a driver was transporting a race car on an unlicensed trailer, the officer discovered the driver was intoxicated, and cited him for DUI. However, when the case came to court, the judge ruled that, since there was no definition of a recreational vehicle, the officer did not have probable cause to make the initial traffic stop. The judge dismissed the case, saying that the Department of Transportation needed to define the term through either administrative rules or appropriate legislation. We believe the proposed definition covers the types of recreational vehicles that were intended to be excluded when the statute was created.

2. **On page 1, lines 17 and 18**, we are asking to amend the plate-with-owner legislation that became effective about a year ago. We request statutory authority to permit vehicle owners to give their license fee credit to the buyer when they sell their vehicle. We have administratively allowed this transfer of credit since implementing the plate-with-owner legislation, but would like to clarify credit transfers with this legislation. In most cases it is used when a vehicle is being transferred from a parent to a child, or from a lessor to a lessee at the end of a lease.
3. **On page 2, line 4**, we would like to amend a portion of the damage disclosure law to make it consistent with other subsections. Other parts of the statute refer to current model vehicles and the seven previous year models as subject to the provisions of the section. This is a total of eight model years. However, this subsection refers to vehicles less than eight years old. We believe this discrepancy was not intended and the provisions of the statute should be uniform.
4. **Finally, on page 2, line 17, and page 3, line 13**, we propose removing references to specific subsections of section 39-01-01. These references would be incorrectly numbered as a result of the passage of this bill.

HOUSE TRANSPORTATION COMMITTEE  
March 5, 1999

North Dakota Department of Transportation  
Keith Kiser, Motor Vehicle Division Director

SB 2161

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Chairman Keiser and members of the House Transportation Committee: The North Dakota Department of Transportation supports SB 2161, which would make three changes to the current vehicle registration laws and license. Because the Senate added amendments to the original bill which the Department does not support, I will be proposing an amendment to restore most of the language contained in the original version of the bill.

1. **On page 1, lines 10 and 11**, we propose that a definition of the term "recreational vehicle" be created. There is currently no definition for this term, although it is specifically referred to in section 39-04-18 of the North Dakota Century Code. This section exempts from registration any trailer being used to transport a recreational vehicle. Because the term is not defined, it has created confusion for trailer owners and law enforcement.

Last summer, a DUI case in Burleigh County was thrown out because the term is not defined. After making a traffic stop because a driver was transporting a race car on an unlicensed trailer, the officer discovered the driver was intoxicated, and cited him for DUI. However, when the case came to court, the judge ruled that, since there was no definition of a recreational vehicle, the officer did not have probable cause to make the initial traffic stop. The judge dismissed the case, saying that the Department of Transportation needed to define the term through either administrative rules or appropriate legislation. We believe the proposed definition covers the types of recreational vehicles that were intended to be included when the statute was created.

2. **On page 1, lines 14 and 17**, the Legislative Council has inserted corrections of statutory references.
3. **On page 1, lines 23 and 24, and page 2, line 1**, we are asking to amend the plate-with-owner legislation that became effective about a year ago. Our original bill requested statutory authority for the Department to establish procedures to permit vehicle owners to give their license fee credit to the buyer when they sell their vehicle. We have administratively allowed this transfer of credit since implementing the plate-with-owner legislation, but would like to clarify credit transfers with this legislation. In most cases it is used when a vehicle is being transferred from a parent to a child, or from a lessor to a lessee at the end of a lease. It is also used in the case of business reorganization, incorporation of farms and other businesses, and creation of trusts for estate purposes.

The amendments added by the Senate limit the authority of the Department to allowing license fee credit transfers only in the case of ownership transfers between family members. The

amendments passed by the Senate do address part of the identified problem. However, we believe there are numerous other circumstances where transferors should be permitted to transfer their license fee credit. The amendment that I am proposing today asks that the Senate amendment be removed and the original language of SB 2161 be restored.

4. **On page 2, beginning on line 8**, the damage disclosure law is being substantially changed with the amendments added by the Senate. Our original bill asked only that subsection 4 of section 39-05-17.2 be amended. We were asking to amend that subsection of the damage disclosure law to make it consistent with the rest of the section. Other parts of the section refer to current model vehicles and the seven previous year models as subject to the provisions of the section. This is a total of eight model years. However, subsection 4 refers to vehicles less than eight years old. We believe this discrepancy was not intended and the provisions of the statute should be uniform.

The amendments added by the Senate change the determination of vehicles subject to the statute from year model of the vehicle to year of manufacture of the vehicle. The Department does not maintain year of manufacture as a part of our vehicle database. Manufacturers often release new year model vehicles six to twelve months before calendar year change. Many 1999 model vehicles were actually manufactured in 1998. In some cases, 1999 model vehicles were actually manufactured in late 1997. If the Senate amendment remains a part of this bill, determining whether or not the damage disclosure law applies to a vehicle will become a much greater task for vehicle owners, dealers, and the Department. The amendment that I am proposing today asks that the Senate amendment be removed and the original language of SB 2161 be restored.

5. **Finally, on page 3, line 27, and page 4, line 21**, the Legislative Council has inserted corrections of statutory references.