

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2154

2005 SENATE TRANSPORTATION

SB 2154

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2154

Senate Transportation Committee

Conference Committee

Hearing Date 1/20/05

Tape Number	Side A	Side B	Meter #
1	x		3420-6170
Committee Clerk Signature <i>Mary K Monson</i>			

Minutes:

Chairman Trenbeath opened the hearing on SB 2154 relating to collector snowmobiles.

Senator Heitkamp (District 26) See attached testimony in support of SB 2154.

There are antique snowmobile runs out there that are driving this. Owners of antique snowmobiles are very protective of their antique or collector snowmobiles. They don't want to stick on a bunch of licensing. They don't use them a lot. They want to get to where they can have the same type of status as a collector car.

Senator Warner asked for confirmation that small planes from the 40's and 50's that were converted to ski planes would not fit the definition of collector snowmobiles.

Senator Heitkamp said his guess would be that they would not.

Senator Espegard asked if they were just asking for a card to carry, not a license plate.

Senator Heitkamp said what they are trying to do is to set it up so it is a one time deal. There are processes for transfers and ownership which might be some of the issues to come in regards

to the amendments. He said his goal is to take that individual who has paid a licensing fee for years on something used very rarely and recognize the fact that, after 25 years, he is done. He pays a one time fee and keeps it with him when he transits.

Senator Trenbeath said that it wasn't unlike what is done with collector automobiles or motorcycles or that sort of thing

Keri Vammer (Program Manager for Snowmobile North Dakota) See attached testimony in support of SB 2154 with proposed amendments.

Senator Espegard asked if they were proposing a charge for this permit.

Keri Vammer said there is no fee outlined in the bill from what she was interpreting.. That is the reason the snowmobile community has asked to have the collector snowmobile added to the gas tax funds they receive.

Senator Espegard asked if she was saying they would have to renew the permit every two years.

Keri Vammer said it wasn't her interpretation that it was going to be a one time thing. She read it to be annually. That is why they requested it to follow the current registration law.

Senator Espegard asked if she was in favor of it being every two years.

Keri Vammer said yes.

Senator Nething said that he was still trying to grasp the problem that exists and what they were trying to do to correct it.

Senator Trenbeath explained that his understanding was that the collector snowmobiles are registered as any other snowmobile is registered. They wear the tags, pay the fees, etc. The fact of the matter is that they are more like a collector automobile, used very little and for special events as a rule.

(Meter 4540) Discussion on fees that are transferred from the gas tax. The gas taxes come back into the trails fund for maintenance of the trail system in ND and are based on registration.

Currently, collector snowmobiles pay a license fee and are included in the numbers for the gas tax. They still want to be included in these numbers and this would recognize that they still consume gas but are not counted in the registration numbers.

Senator Heitkamp said his intent is that once you get it you are done, as long as you have the card. The permit would be valid for the duration of ownership of the snowmobile.

Senator Trenbeath asked if that makes it more difficult to include the numbers for gas tax.

Senator Heitkamp said that is why he didn't offer the amendments. He didn't feel the small fiscal benefit, that might be received on the collector's side, would outweigh the benefit they would have with a one time fee.

Keith Kizer (NDDOT) He stated that the department did not have a position on this bill but that he had some concerns. This bill is similar to the collector automobile legislation that passed several session ago. One major difference is that there is a one time fee of \$60 for the collector license they issue. Unlike the collector legislation in existence today, which does not permit personal use, this one would provide for up to 10 personal use days per year which would be hard to enforce. If this legislation passes, DOT would track the collector snowmobiles separately, but he felt it was workable that they could be added to the count for distribution of gas tax.

Senator Trenbeath asked Mr. Kizer if he had a feeling or any research on the fiscal impact of not registering the collector snowmobiles.

Keith Kizer said they were not asked for a fiscal note. Currently, they have 501 licensed snowmobiles that are more than 25 years old. They have about 1100 on their database which means they were licensed at one time, but have not been within the last few years.

Senator Trenbeath asked if he would have any objection to deleting the reference to ten days.

Keith Kizer said that deleting the reference to ten personal days would be essentially the same as the provisions for collector automobiles which says you can use them for certain specified events, parades, shows, etc. But they couldn't be used to simply go for a ride for the fun of it.

Tom Balzer (ND Parks and Recreation) The fiscal impact of the 501 sleds that would be pulled out of the general pool for the gas tax would end up being \$5,100 a biennium. The registration fees would be \$17,500 a biennium. That would be the trail tax side of the registration. The DOT side of the registration would be out \$2,500 a biennium.

Senator Warner asked what the total amount is that is spent on grooming trails.

Tom Balzer said the overall appropriation for this program is \$900,000 a biennium of which \$600,000 goes to trail maintenance, signing, grooming etc.

The hearing on SB 2154 was closed.

(Meter 5645) There was some general discussion dealing with bringing machines back to pristine condition, one time fees, keeping the gas tax coming back, and overlapping trails.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2154

Senate Transportation Committee

Conference Committee

Hearing Date 1-27-05

Tape Number	Side A	Side B	Meter #
1	x		395-538
1		x	3570-3588
Committee Clerk Signature <i>Mary K Monson</i>			

Minutes:

Chairman Trenbeath opened SB 2154 for discussion. He presented an amendment to include collector snowmobiles for the purposes of the motor fuel tax refund. (Amendment .0101)

Senator Espegard motioned a Do Pass on the amendment (.0101).

Seconded by **Senator Nething**. The motion passed on a voice vote.

Senator Espegard motioned a **Do Pass as Amended**. Seconded by **Senator Mutch**.

Roll call vote 6-0-0. **Passed**. Floor carrier is **Senator Bercier**.

FISCAL NOTE
 Requested by Legislative Council
 01/31/2005

Amendment to: SB 2154

1A. **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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

It is not possible to estimate the fiscal impact of this bill, as amended, as it is not possible to estimate the number of snowmobile owners who would choose to register their snowmobiles under the provisions of this bill. However, each snowmobile registered under the provisions of this bill will result in a loss of \$35 for the State Snowmobile Fund and \$5 for the Highway Tax Distribution Fund. In addition, there is also a possible loss of \$12.60 for the Highway Tax Distribution Fund if a snowmobile that is not currently registered chooses to register under the provisions of this bill.

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.*

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.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Keith Kiser	Agency:	NDDOT
Phone Number:	328-2725	Date Prepared:	02/01/2005

PROPOSED AMENDMENTS TO SENATE BILL NO. 2154

Page 1, line 1, remove the second "and" and after "39-24-04" insert ", and 39-24-05"

Page 4, after line 19, insert:

"SECTION 4. AMENDMENT. Section 39-24-05 of the North Dakota Century Code is amended and reenacted as follows:

39-24-05. Disposition of registration fees and trail tax - Transfer from highway tax distribution fund. Fees from registration of snowmobiles must be deposited with the state treasurer and credited to the motor vehicle registration fund. The snowmobile trail tax must be deposited in a state snowmobile fund in the state treasury. Additionally, an amount equal to the tax collected on thirty gallons [113.56 liters] of motor vehicle fuel multiplied by the number of collector snowmobiles and snowmobiles registered under this chapter must be transferred annually from the highway tax distribution fund, before allocation of the fund under section 54-27-19, and credited to the state snowmobile fund. The parks and recreation department may, upon appropriation by the legislative assembly, expend from such fund moneys it deems necessary for purposes of administering snowmobile safety programs and establishing and maintaining snowmobile facilities and programs."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2154: Transportation Committee (Sen. Trenbeath, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2154 was placed on the Sixth order on the calendar.

Page 1, line 1, remove the second "and" and after "39-24-04" insert ", and 39-24-05"

Page 4, after line 19, insert:

"SECTION 4. AMENDMENT. Section 39-24-05 of the North Dakota Century Code is amended and reenacted as follows:

39-24-05. Disposition of registration fees and trail tax - Transfer from highway tax distribution fund. Fees from registration of snowmobiles must be deposited with the state treasurer and credited to the motor vehicle registration fund. The snowmobile trail tax must be deposited in a state snowmobile fund in the state treasury. Additionally, an amount equal to the tax collected on thirty gallons [113.56 liters] of motor vehicle fuel multiplied by the number of collector snowmobiles and snowmobiles registered under this chapter must be transferred annually from the highway tax distribution fund, before allocation of the fund under section 54-27-19, and credited to the state snowmobile fund. The parks and recreation department may, upon appropriation by the legislative assembly, expend from such fund moneys it deems necessary for purposes of administering snowmobile safety programs and establishing and maintaining snowmobile facilities and programs."

Renumber accordingly

2005 HOUSE TRANSPORTATION

SB 2154

2005 HOUSE STANDING COMMITTEE MINUTES

BILL NO. SB 2154

House Transportation Committee

Conference Committee

Hearing Date February 24, 2005

Tape Number	Side A	Side B	Meter #
1	X		0.6-7.1,17.1-19.9
Committee Clerk Signature <i>Debra Louie</i>			

Minutes:

Chairman Weisz opened the hearing on SB 2154 A Bill for an Act to amend and reenact sections 24-02-01.5, 39-24-01, 39-24-04, and 39-24-05 of the North Dakota Century Code, relating to collector snowmobiles.

Sen. Heikamp: (1.0) In the Lisbon area they promote an antique snowmobile run and it is getting to be a big issue in Minnesota and we want it to be a big issue in ND. Licensing of those antique snowmobiles is a big issue to them. That is why the big issue to them. They want snowmobiles to be treated the same as allot of other things have been. The Senate amended it to make sure sure that some of those dollars make it into the fund for trails. There are individuals here from ND Snowmobile Assoc. and can explain how all that happens. We did not have allot of snow in the east this year, but down in Richland County where I live the snowmobile club there spent thousands of dollars on the trail and there are people in from all over. I have been to one of these antique snowmobile runs and they come from all over and it is interesting and I hope you see fit

to pass this bill. I think it is a good bill. I think after 25 years they have done their share as far as licensing goes.

Rep. Hawken(2.1) What is an antique snowmobile?

Sen. Heikamp: Anything over 25 years old.

Keri Vanner:(3.3) Program Manager of SND. Just here in support of this bill.

Chairman Weisz So you have any idea how much loss of revenue this will be?

Keri Vanner: It will be approximately \$20,000. This is an estimate what we will loose on registration fees as well as the gas.

Chairman Weisz: Two questions for you Keith. Why are we eliminating subsection 7 on 32-24-01? I thought you might be aware of why we are eliminating that. Has to do with a registrar.

Keith Kiser ND DOT(4.4) There is no longer a position of registrar in state government. That term needs to be taken off.

Chairman Weisz(5.0) The other questions is on the fiscal note? It is zero because it is not possible to determine. You reference allot that there is a loss to the snowmobile fund, but then you say in addition there is a possible loss of \$12.60 for the Highway Tax Distribution Fund if a snowmobile that is not currently registered chooses to register under the provisions of this bill. Where is there a loss of funds if they are not registering now?

Keith Kiser: I think the loss of funds is based on the Senate Amendment. In the original bill there was no provision for replacement of revenues that are loss under the fuel tax replacement money. The calculation of fuel tax money taken out of the highway tax distribution fund based on the number of registered snowmobiles. If we have 20,000 snowmobiles there is a calculation

of fuel tax for the trail funds for that purpose. There are a number of current licensed snowmobiles that would fall into this category; about 500, but there are another 1100 to 1200 snowmobiles that are not currently licensed and if they choose to participate in this program then they would affect the amount of revenue that goes into that trail fund, which would result in an increase in revenue and a decrease in the highway distribution funds.

Rep. Price(6.4) Page 2, line 9 says was originally produced as a separate identifiable make by a manufacture.? What does that mean?

Keith Kiser:(6.6) I interrupter that to mean if you have a recognized manufacturer. If you were looking at a homemade snowmobile it would not be covered by this bill.

Chairman Weisz Anyone here in opposition to SB 2154?

Closed (7.1)

Chairman Weisz reopened hearing on HB 2154.(17.1)

Discussion:

Rep. Thorpe(17.6) Are they going to issue a numbered sticker that says collector or how they distinguish.

Chairman Weisz They wouldn't be issuing a collector sticker. I assume they will get a different color decal.

Motion Made By Rep. Iverson Seconded By Rep. Delmore

Do Pass 12 Yes 2 No 1 Absent Carrier: Rep. Thorpe

Closed (19.9)

Date:
Roll Call Vote #:

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2154

House Transportation Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Rep. Iverson Seconded By Rep. Delmore

Representatives	Yes	No	Representatives	Yes	No
Rep. Weisz - Chairman	✓		Rep. Delmore	✓	
Rep. Hawken - Vice Chair.	✓		Rep. Meyer	✓	
Rep. Bernstein	✓		Rep. Schmidt	✓	
Rep. Dosch		✓	Rep. Thorpe	✓	
Rep. Iverson	✓				
Rep. Kelsch	<u>Absent</u>				
Rep. Owens	✓				
Rep. Price	✓				
Rep. Ruby	✓				
Rep. Vigasaa	✓				
Rep. Weiler		✓			

Total (Yes) 12 No 2

Absent 1

Floor Assignment Rep. Thorpe

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

REPORT OF STANDING COMMITTEE

SB 2154, as engrossed: Transportation Committee (Rep. Weisz, Chairman) recommends
DO PASS (12 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2154
was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

SB 2154

Chairman Trenbeath and members of the Senate Transportation Committee

For the record I'm Joel Heitkamp and I serve District 26 in the State Senate.

I have been contacted for the past 2 years by a number of individuals from my district and the neighboring district about changing the registration and fees for collector snowmobiles.

This bill is an attempt to do just that.

What you will see in section 2 is the definition of what a collector snowmobile is. The rest of the language in definitions is cleaning up the owner and the language.

In section 3 under f you will see the meat of the bill once we have defined the product. This subsection allows the special permit and what that permit can be used for both in use and transit.

That language also needed to be added under the section for fees so you will see similar language under f there.

The bill is pretty straight forward.

There are a number of individuals here that might offer amendments. They also can explain their sport and passion, and I do mean passion, better than I can.

Mr. Chairman and committee members I feel this is a good bill that does what I intended it to do. And I ask for your support.

Thank you

**TESTIMONY – SENATE BILL 2154
SENATE TRANSPORTATION COMMITTEE
JANUARY 19, 2005 – 10:30 AM
LEWIS AND CLARK ROOM**

Mr. Chairman and members of the Senate Transportation Committee, my name is Keri Vammer and I am the Program Manager for Snowmobile North Dakota which represents an association of snowmobile enthusiasts in North Dakota. Snowmobile North Dakota is contracted by the North Dakota Parks & Recreation Department to manage North Dakota's snowmobile trail system. I appear today in support of Senate Bill 2154 relating to collector snowmobiles.

Snowmobile North Dakota recommends a vote of Do Pass with the following proposed amendments.

1. Since the current snowmobile registration is based biennially, Snowmobile North Dakota would like to ask in line 11 on page 4 the word biennially be inserted after permit.
2. On page 4 after line 15 please add the following, "Snowmobiles permitted under this subsection shall be included in the number of snowmobiles registered for the purpose of calculating the amount to be transferred from the highway tax distribution fund in section 39-24-05." The state snowmobile trails are dependent upon these funds to help maintain and groom the trail system. Collector snowmobiles will be primarily used on the state snowmobile trail system while participating in vintage or antique snowmobile events around the state and it is important the state trail is maintained for these purposes. According to a recent study on snowmobile use in the state the average snowmobiler consumes 162.7 gallons of fuel a year. Even if a collector snowmobiler uses 25% of the average consumption, this use is still greater than the 30 gallons allotted under section 39-24-05. If amended the amount of gas tax that would be transferred would only be \$5.10 per year per collector snowmobile.

Senate Bill 2154 is a bill with the full support of the snowmobiling community with the proposed amendments. We ask for a vote of DO PASS on Senate Bill 2154 with the proposed amendments outlined in my testimony.

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