

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/12/2019**

Amendment to: HB 1093

- 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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$5,580		
<b>Expenditures</b>				\$15,000		
<b>Appropriations</b>				\$15,000		

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>		\$(3,300)	
<b>Cities</b>		\$(1,875)	
<b>School Districts</b>			
<b>Townships</b>		\$(405)	

- 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 as amended changes motorcycle registration expiration from December 31 to March 31.

- 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.*

Section 2 of this bill creates a new section of code to allow motorcycle registrations to have an expiration date of March 31.

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.*

The revenue increase to the state occurs because the revenue to fund the additional \$15,000 of motor vehicle programming costs is taken off the top of the motor vehicle registration proceeds before they are allocated through the highway tax distribution fund.

The revenue reductions result because the Motor Vehicle expenses are deducted from the Motor Vehicle registration proceeds prior to deposit in the Highway Tax Distribution Fund. This results in a lesser amount of revenues available for distribution to the State Highway Fund, the cities, counties, townships, and public transportation.

- 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.*

NDDOT Motor Vehicle Division will incur one-time costs of approximately \$15,000 for computer programming costs.

- 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.*

NDDOT Motor Vehicle Division will incur additional one-time costs of approximately \$15,000 for computer programming. These additional costs were not included in NDDOT's appropriation request for the 2019-2021 biennium.

**Name:** Lindi Michlitsch

**Agency:** NDDOT

**Telephone:** 328-2734

**Date Prepared:** 01/14/2019

**FISCAL NOTE**  
**Requested by Legislative Council**  
**12/26/2018**

Revised  
 Bill/Resolution No.: HB 1093

- 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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$(9,420)		
<b>Expenditures</b>				\$15,000		
<b>Appropriations</b>				\$15,000		

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>		\$(3,300)	
<b>Cities</b>		\$(1,875)	
<b>School Districts</b>			
<b>Townships</b>		\$(405)	

- 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 changes motorcycle registration expiration from December 31 every year to March 31 of odd years. This aligns the process with the low speed registration to create efficiencies in tracking tab inventory, and reduce staff time and costs related to postage and registration cards.

- 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.*

Section 2 of this bill creates a new section of code to allow motorcycle registrations to have an expiration date of March 31 of odd numbered years.

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.*

The revenue reductions result because the Motor Vehicle expenses are deducted from the Motor Vehicle registration proceeds prior to deposit in the Highway Tax Distribution Fund. This results in a lesser amount of revenues available for distribution to the State Highway Fund, the cities, counties, townships, and public transportation.

- 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.*

NDDOT Motor Vehicle Division will incur one-time costs of approximately \$15,000 for computer programming costs.

- 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.*

NDDOT Motor Vehicle Division will incur additional one-time costs of approximately \$15,000 for computer programming. These additional costs were not included in NDDOT's appropriation request for the 2019-2021 biennium.

**Name:** Lindi Michlitsch

**Agency:** NDDOT

**Telephone:** 28-2734

**Date Prepared:** 12/27/2018

**FISCAL NOTE**  
**Requested by Legislative Council**  
**12/26/2018**

Bill/Resolution No.: HB 1093

- 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.*

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- 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.*

The revenue reductions result because the Motor Vehicle expenses are deducted from the Motor Vehicle registration proceeds prior to deposit in the Highway Tax Distribution Fund. This results in a lesser amount of revenues available for distribution to the State Highway Fund, the cities, counties, townships, and public transportation.

- 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.*

NDDOT Motor Vehicle Division will incur one-time costs of approximately \$15,000 for computer programming costs.

- 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.*

NDDOT Motor Vehicle Division will incur additional one-time costs of approximately \$15,000 for computer programming. These additional costs were not included in NDDOT's appropriation request for the 2019-2021 biennium.

**Name:** Lindi Michlitsch

**Agency:** NDDOT

**Telephone:** 28-2734

**Date Prepared:** 12/27/2018

**2019 HOUSE TRANSPORTATION**

**HB 1093**

# 2019 HOUSE STANDING COMMITTEE MINUTES

**Transportation Committee**  
Fort Totten Room, State Capitol

HB 1093  
1/10/2019  
30653

- Subcommittee  
 Conference Committee

Committee Clerk: Jeanette Cook

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

A bill relating to motorcycle registration renewals; and relating to motorcycle registration.

## **Minutes:**

Attachment 1-2

**Chairman Ruby** opened the hearing on HB 1093.

**Lindy Michlitsch, Motor Vehicle Division Director**, spoke to support HB 1039 and provided written testimony. See attachment #1.

**Chairman Ruby:** Do you want to make them more like ATVs and recreational vehicles? Aren't street bikes are more consistent with vehicles?

**Lindy Michlitsch:** Our intent is not to make them like recreational vehicles. We are thinking about moving the date to March because most avid riders don't renew until the weather starts to get nice. We send out December renewals, 386,000. We are trying to create some efficiencies by moving them to March, and have it align with our low speed registration. It is just an internal process on our part. It makes more sense with the weather, and it is when people usually register their vehicles.

**Chairman Ruby:** Other than the efficiencies, why are you asking for two years? If it makes sense here, why not for all vehicles?

**Lindy Michlitsch:** You make a valid point. The two years was recommended from people who have called in and talked to us about it.

**Chairman Ruby:** On page 5 the fee for safety education changes from \$10 to \$20. What are those fees used for?

**Lindy Michlitsch:** It goes to the Motorcycle Safety Fund. That is monitored by the Traffic Safety Division of the Department of Transportation. I would have to refer to them as to how the funds are dispersed. I will touch base with them, but I understand that ABATE does receive some of those funds.

**Representative Nelson:** Why aren't motorcycles just like cars; so that they register the same date that you first get your license? If someone get a license for two years, they will not get two years. Especially if they buy a bike late in the summer. Their license will only be good for a few months. Why don't we do it the same as the cars.

**Lindy Michlitsch:** Motorcycles are prorated according to the date they are purchased. Then a person will not have to pay the full amount.

**Representative Nelson:** Does this create a peak workload? Is it an efficient use of staff to have all the motorcycles come due at the same time? Would it be better to have them staggered?

**Lindy Michlitsch:** I'm not sure. It would depend on when owners purchase their motorcycles. I don't know if it would be staggered enough.

**Chairman Ruby:** It might make sense to change it to the purchase date. Would that be difficult to do, or would you just rather not?

**Lindy Michlitsch:** I would have to do an amended fiscal note to see what it would do for programing changes. If we have to do staggered, there are a lot more credit calculations that are involved. The current proposal of moving all of them is a lot simpler.

**Representative Paur:** You say this would create efficiencies. Is that what the fiscal note shows?

**Lindy Michlitsch:** Yes. There was a one-time cost of \$15,000 to update our system, and the staff time was not included in the reduction.

**Representative Paur:** I'm glad it is saving us all of this money.

**Chairman Ruby:** Could you explain the reductions of the revenues?

**Lindy Michlitsch:** It is reduced to cover the programing costs. That is what the fiscal note is showing.

**Representative Hager:** A young person who purchases their first motorcycle would pay \$50 for two years. If they decide that they don't like riding the motorcycle, they have paid for two years. Would they get their money back if they change their mind?

**Lindy Michlitsch:** They would get motorcycle credit. If they would not have a motorcycle any longer, they would not get their money back. The money would stay with the Department of Transportation.

**Chairman Ruby:** There may be situations that people lose their money on a two-year registration. If they go a year without registering their motorcycle, and then decide to register it, would they just have to pay half of the fee in an even numbered year?

**Lindy Michlitsch:** Yes, it would be prorated. If the two years is something you object to, we would support just moving the expiration date and not doing the two-year registration. The programming costs would be the same.

There was no further support for HG 1093.

**Lonnie Bertsch, Executive Director of ABATE of North Dakota,** spoke in opposition of HB 1093. Written testimony was provided. See attachment # 2.

**Lonnie Bertsch:** We would feel more comfortable with annual renewal. I can answer questions about the education portion because ABATE of North Dakota does supply the North Dakota motorcycle safety program.

**Chairman Ruby:** Does the North Dakota Safety Council forward some of the fees they get to ABATE?

**Lonnie Bertsch:** Yes, I give them a budget every year, so they know how much it will cost for us to teach the estimated number of students we will have.

**Representative Hanson:** If we decide to keep registration every year, but move it to the spring, what would you think of that?

**Lonnie Bertsch:** I can see the point of spring registration.

**Chairman Ruby:** What would you think of registering when you first purchase the motorcycle?

**Lonnie Bertsch:** That would be my preference. I do not see why all the registrations are on January 1<sup>st</sup>.

**Representative Jones:** Did you understand that we would be changing the sticker to a larger one like the ATVs and recreational vehicles?

**Lonnie Bertsch:** The small ones are going to be more difficult for an officer to see for a two-year license.

There was no further opposition to HB 1093.

**Representative Nelson:** Are vanity plates eligible for motorcycles?

**Lindy Michlitsch:** Yes.

**Representative Nelson:** Is the fee \$25 per registration period?

**Lindy Michlitsch:** Yes.

**Representative Nelson:** If we change to two years, will it be one registration period?

**Lindy Michlitsch:** That is a good question. I don't know for sure. I would have to read through the other law. (Looked up.) It does say, "per registration period", so it would be \$25.

**Chairman Ruby:** Is your vision that the sticker will be exactly the same?

**Lindy Michlitsch:** Yes, we are not going to change any of the process, just the date.

**Representative Paur:** No matter which scenario we choose, will we have an expenditure of over \$15,000, and have a change of revenues? With this bill will it also cut funding for ABATE?

**Lindy Michlitsch:** As far as the revenues, my understanding from the safety division, their budget is based on a biennium. The funds will still be collected within the biennium. I visited with the safety division, and it will not affect the funding for ABATE.

**Representative Paur:** No matter which way we change it; will we have \$15,000 or more in software expenses?

**Lindy Michlitsch:** Yes, a one-time expense.

**Chairman Ruby:** Do you know how many personalized plates there are for motorcycles?

**Lindy Michlitsch:** Approximately 4,000.

**Chairman Ruby:** If we pass the bill, we will be giving people a break.

**Chairman Ruby** closed the hearing on HB 1093.

**Representative Owens:** I get a bill every December. I do sometimes pay for the sticker right away, and then lose it. I would like to stay at one year, but I like registering in the April.

**Chairman Ruby:** I'm hearing that the annual would be the best. I would entertain a motion for any changes or on the bill itself.

**Representative Hager** moved an amendment to make the change "annually on March 31<sup>st</sup>".

**Representative Owens** seconded the motion.

A voice vote was taken. The motion carried.

**Representative Nelson** moved a **DO PASS** as amended on HB 1093.

**Representative Hager** seconded the motion.

**A roll call vote was taken: 11 Aye 2 Nay 1 Absent**

**The motion carried.**

**Representative Nelson will carry HB 1093.**

DA 1/10/19

19.8070.01001  
Title.02000

Adopted by the Transportation Committee

January 10, 2019

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1093

- Page 2, line 2, remove "in"
  - Page 2, line 3, remove "odd-numbered years"
  - Page 2, line 3, replace "two years" with "year"
  - Page 2, line 4, replace ", such" with ". The"
  - Page 2, line 4, replace "to take" with "takes"
  - Page 2, line 4, remove "in"
  - Page 2, line 5, remove "odd-numbered years"
  - Page 4, line 26, remove the overstrike over "fifteen"
  - Page 4, line 26, remove "thirty"
  - Page 5, line 3, remove the overstrike over "ten"
  - Page 5, line 3, remove "twenty"
- Renumber accordingly

Date: 1-10-19  
Roll Call Vote #: 1

2019 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1093

House Transportation Committee

Subcommittee

Amendment LC# or Description: 19. 8070. 01001

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 Hager Seconded By Owens

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN RUBY			REP LAURIEBETH HAGER		
VICE CHAIR BECKER			REP KARLA ROSE HANSON		
REP JIM GRUENEICH			REP MARVIN NELSON		
REP TERRY JONES					
REP TOM KADING					
REP EMILY O'BRIEN					
REP MARK OWENS					
REP BOB PAULSON					
REP GARY PAUR					
REP ROBIN WEISZ					
REP GREG WESTLIND					

*Voice Vote Carried*

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

Absent \_\_\_\_\_

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

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

*Change - March 31<sup>st</sup> / Annual*

Date: 1-10-19  
Roll Call Vote #: 2

2019 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1093

House Transportation Committee

Subcommittee

Amendment LC# or Description: 1a.8070.01001

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 Nelson Seconded By Hager

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN RUBY	X		REP LAURIEBETH HAGER	X	
VICE CHAIR BECKER	X		REP KARLA ROSE HANSON	X	
REP JIM GRUENEICH		X	REP MARVIN NELSON	X	
REP TERRY JONES	X				
REP TOM KADING	X				
REP EMILY O'BRIEN	X				
REP MARK OWENS	X				
REP BOB PAULSON	X				
REP GARY PAUR		X			
REP ROBIN WEISZ	X				
REP GREG WESTLIND	X				

Total (Yes) 11 No 2

Absent 1

Floor Assignment Nelson

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

**REPORT OF STANDING COMMITTEE**

**HB 1093: Transportation Committee (Rep. D. Ruby, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1093 was placed on the Sixth order on the calendar.

Page 2, line 2, remove "in"

Page 2, line 3, remove "odd-numbered years"

Page 2, line 3, replace "two years" with "year"

Page 2, line 4, replace ", such" with ". The"

Page 2, line 4, replace "to take" with "takes"

Page 2, line 4, remove "in"

Page 2, line 5, remove "odd-numbered years"

Page 4, line 26, remove the overstrike over "~~fifteen~~"

Page 4, line 26, remove "thirty"

Page 5, line 3, remove the overstrike over "~~ten~~"

Page 5, line 3, remove "twenty"

Renumber accordingly

**2019 SENATE TRANSPORTATION COMMITTEE**

**HB 1093**

# 2019 SENATE STANDING COMMITTEE MINUTES

Transportation Committee  
Lewis and Clark Room, State Capitol

HB 1093  
2/8/2019  
32440

- Subcommittee  
 Conference Committee

Committee Clerk: Liz Stenehjem

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

A bill relating to motorcycle registration renewals; and relating to motorcycle registration.

## Minutes:

1 Attachment

**Chairman Rust:** Called committee to order and opened hearing on HB 1093.

**Lindi Michlitsch, Director, Motor Vehicle Division, North Dakota Department of Transportation:** See **Attachment #1** for testimony.

**Chairman Rust:** You say, or not renewed at all. Is there a hidden meaning in there, do they just not renew them or is it because they no longer have the motorcycle? What's that or not renewed at all?

**Ms Michlitsch:** We just show that they're still expired. We don't really necessarily know why they don't renew. Sometimes it's sold out of state and maybe then we're just not notified that they retitled it, maybe it's in storage; there are lots of reasons.

**Chairman Rust:** So, Lindi there is no real concern then that they're not being renewed and still driven and you've got a problem here, is that the case?

**Ms Michlitsch:** That is not the case.

**Chairman Rust:** To me when I look at it, I kind of like the idea of you renew them closer to the time you use them. \$15,000 doesn't exactly make me feel real good about it. So I'm wondering, can you justify that \$15,000 expenditure to do it? How would you justify it?

**Ms Michlitsch:** That was the quote we received from our vendor and what they had told us, is that they have to change the expiration date; that's kind of their base amount for changing anything to do with registration.

**Senator Bakke:** Has anyone ever thought about just hiring a computer programmer for the state? Because, you see all these fiscal notes all the time with, this is what we'd have to do. I think if we had our own programmer it would save us a whole lot of money.

**Ms Michlitsch:** Whether the state hired a programmer to do these or our vendor were to do them, that programmer would charge motor vehicle for those fees. That's how it was even prior to our new computer system that we rolled out in 2016. We had our own IT staff that did it and this was kind of a standard amount.

**Senator Clemens:** This would be just a one-time expenditure, the \$15,000 to get this online. Then do you see the department recouping that money over the next 5 years, just because of the more even work load and not having to answer all these calls coming in from these motorcycle owners?

**Ms Michlitsch:** Yes, we kind of felt that if we could even everything out it would help with that. We feel that it is worthwhile. It is a one-time expenditure of \$15,000. If we didn't have to take all those additional calls and send out all of those additional invoices it would save us time, and therefore money.

**Senator Fors:** Who is the vendor?

**Ms Michlitsch:** Fast Enterprises. They are also the same vendor for the Tax Department.

**Senator Fors:** Explain again why the transportation people can't do this?

**Ms Michlitsch:** When we purchased the software, it's an off the shelf software. So they own the software. We submit recommendations and work orders to make any changes to the system, but it's an off the shelf product.

**Senator Fors:** Okay, so it's an ongoing thing then that you use this vendor quite often.

**Ms Michlitsch:** That is correct. We actually have Fast Enterprise employees located in the Department of Transportation building. So they have moved here, they live here, they work out of the DOT building. We currently have, I think six of them that work on our system.

**Senator Dwyer:** So you don't know for sure if moving it to March is going to eliminate people forgetting. You think it will, but you don't know for sure, you just anticipate that it would.

**Ms Michlitsch:** Yes, that's kind of our assumption.

**Senator Bakke:** Who pays these six employees? Are they paid by Fast Enterprises or are they paid by the state?

**Ms Michlitsch:** They are paid by Fast Enterprises, that's just part of our maintenance contract.

**Chairman Rust:** I'm assuming that it's like most computer things, you buy a program from somebody; just like you buy a copier, and then you buy this service agreement. So then when the copier goes does you call the service rep in and he fixes the copier. When you buy this computer program for the DOT and licensing and whatever else, you basically buy

this program and then you buy this other person to maintain that program and have it running expertly. (shared personal example)

**Ms Michlitsch:** That is correct.

**Chairman Rust:** Closed hearing on HB 1093.

**Senator Patten:** I move a **Do Pass**

**Senator Bakke:** I **Second** the motion.

**Senator Clemens:** After listening to testimony I trust the fact that the transportation department feels that this is going to be worth-while whether it's through cost or time, so I guess I'm inclined to support the bill.

**Chairman Rust:** I like the idea of the bill, I just don't like \$15,000. I'm of the point, you only have 38% renewing now as it is, so I don't know that you're going to make a lot of difference. By those people not renewing do you have to send out another notification or do you just send out the one?

**Ms Michlitsch:** We do send out another invoice two-weeks prior to their expiration date.

**Chairman Rust:** So the difference might be, if they were to be renewed closer to March, since they want to start riding pretty soon, they'll get it. You send out the one they'll probably do it. The current way you send them out in December they figure they have lots of time, then they forget so now we get another notification.

**Senator Clemens:** So I understand with the motorcycles, because I have a motorcycle myself and I also have a camper. Do you get some of that same calls concerning campers? Would it be worthwhile to include campers too, so we're making a bigger number absorbing this \$15,000? Is that an idea?

**Ms Michlitsch:** It was something that we had talked about in our office. What's different is, in our system a trailer is a trailer. So there would have been a higher fiscal impact to separate the travel trailers, or campers, from the other regular trailers. So that's why we did include that.

**Senator Dwyer:** So how many of these motorcycles do you have to send a second notice to?

**Ms Michlitsch:** I would say probably the 60% of that 42,000, because only 38% renewed prior to December 31<sup>st</sup>

**Senator Dwyer:** So it's not like they do it right after the first of the year, they just don't do it until you send another notice out.

**Ms Michlitsch:** In our analysis they renewed anytime between January and April. Most of them were in that February-March timeframe and that's why we looked at March.

**Senator Dwyer:** After you sent out a second notice.

**Ms Michlitsch:** We actually send the second notice out two weeks prior to it expiring in December. So I don't know if that second renewal invoice really impacted them to renew or not prior to December 31<sup>st</sup>.

**Chairman Rust:** You send out a renewal notice when?

**Ms Michlitsch:** We send out the renewal notice usually six-weeks ahead of the expiration date.

**Chairman Rust:** Then you send a reminder two weeks?

**Ms Michlitsch:** Two weeks.

**Chairman Rust:** Those are both before December 31<sup>st</sup>

**Ms Michlitsch:** That is correct.

**Senator Fors:** When you send out the second notice, what does that cost?

**Ms Michlitsch:** I'm not sure what the cost is. If it's an email, there's no cost to us because we just resend that email. It would just be whatever the postage is. We don't regenerate the invoice, we resend it. So there's no programming cost, it just would be out mailing cost.

**Senator Fors:** Why do we care if they renew it or not? I guess, could there be a fine for late renewals? Instead of \$15 it could be \$35 to recoup this money?

**Ms Michlitsch:** Currently there is no penalty for late registration. I can look to see what the cost we spend on mailing out second notices. We did that more as a courtesy, because we would get calls. Again it was just another something we wanted to do for the public to decrease the amount of calls and having to reprint invoices.

**Chairman Rust:** There is another aspect of that. You get pulled over, you get fined.

**Senator Fors:** Who cares whether or not they register their motorcycle or their RV or anything. When they register late, fine it, and I bet you they won't have that problem again.

**Senator Bakke:** Let's say they are pulled over and they haven't registered their vehicle, what is the fine, do you know?

**Ms Michlitsch:** I believe it is \$20.

**Senator Dwyer:** I'm assuming we would have to change some statutes if we were going to have a late fee.

**Ms Michlitsch:** Yes, that would be correct.

**Senator Bakke:** If this would make them spread out their work load a little more, and make it not so panicky December 31<sup>st</sup> having to generate all of these registrations. To me that in itself is a savings. Because it makes for a better work environment when they aren't bombarded in December and they can instead deal with this in March.

**Roll Call Vote Was Taken:**

**Motion Passed 5-1-0**

**Carrier: Senator Clemens**

**2019 SENATE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO: HB1093**

Senate 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 Senator Patten    Seconded By Senator Bakke

Senators	Yes	No	Senators	Yes	No
Senator Rust - Chairman		X	Senator Bakke	X	
Senator Clemens - Vice Chairman	X				
Senator Dwyer	X				
Senator Fors	X				
Senator Patten	X				

Total    (Yes) 5    No 1

Absent 0

Floor Assignment Senator Clemens

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

**REPORT OF STANDING COMMITTEE**

**HB 1093, as engrossed: Transportation Committee (Sen. Rust, Chairman) recommends DO PASS (5 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1093 was placed on the Fourteenth order on the calendar.**

**2019 TESTIMONY**

**HB 1093**

HB1093  
1-10-19  
#1

**HOUSE TRANSPORTATION COMMITTEE**

**Date: January 10, 2019 at 9:00 a.m.**

**North Dakota Department of Transportation  
Lindi Michlitsch, Motor Vehicle Division Director**

**House Bill 1093**

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Good morning, Mr. Chairman and members of the committee. I'm Lindi Michlitsch, Motor Vehicle Division Director at the North Dakota Department of Transportation. Thank you for giving me the opportunity to discuss this proposed bill and answer any questions.

House Bill 1093 proposes to change the motorcycle registration expiration from December 31 every year to March 31 of odd-numbered years. The reason for this requested change of March 31 of odd years is to align the process with the low speed registration, which would create efficiencies in tracking registration tab inventory. This change will also reduce staff time and expenses relating to postage and registration cards.

In 2017, there were approximately 42,000 active motorcycle registrations. Of the 42,000, only 38% of owners renewed prior to December 31. The remaining registrations were renewed after January 1 or not renewed at all.

The registration fees collected would be \$50 every two years instead of \$25 annually. Funds from these fees would be distributed to the same designated funding source as in the past.

There is a fiscal note attached to this bill.

Thank you, Mr. Chairman, I would be happy to answer any questions.

ABATE of NORTH DAKOTA



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H131093  
1-10-19 #2

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Chairman Ruby

Distinguished Committee Members

Lonnie Bertsch

Executive Director

ABATE of ND

I am representing the 2,400 members of ABATE of ND the proud provider to the North Dakota Motorcycle Safety Program. We provide motorcycle safety classes to approximately 2,000 ND citizens every year. We are the largest motorcycle rights and safety organization in North Dakota.

I am here to get clarification on Bill 1093 to help answer our members questions.

What are you trying to accomplish with this bill?

Are we looking at changing motorcycles to recreational vehicles such as side by sides, ATV's and snowmobiles?

Motorcycles are a major means of transportation and weather permitting would be a year-round transportation for many of us.

Cars and trucks continue to be annually registered, why not motorcycles?

Thank you

Lonnie Bertsch

Executive Director

ABATE of ND

701-223-5609

**SENATE TRANSPORTATION COMMITTEE**  
**Date: February 8, 2019 at 9:00 a.m.**

**North Dakota Department of Transportation**  
**Lindi Michlitsch, Motor Vehicle Division Director**

**House Bill 1093**

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Good morning, Mr. Chairman and members of the committee. I am Lindi Michlitsch, Motor Vehicle Division Director at the North Dakota Department of Transportation (DOT). This bill is a DOT Agency bill. Thank you for allowing me to explain this bill and answer any questions.

House Bill 1093 proposes to change the motorcycle registration expiration from December 31 every year to March 31. The reason for this requested change of March 31 is to match when owners actually renew their motorcycles. If motorcycles expire in March, customers will receive a renewal invoice closer to the time that they will use their motorcycle again, making it easier for them to remember to renew. Another reason for the requested change is to even out the workload as the majority of Motor Vehicle renewals are due December 31.

In 2017, there were approximately 42,000 active motorcycle registrations. Of the 42,000, only 38% of owners renewed prior to December 31. The remaining registrations were renewed after January 1 or not renewed at all.

There is a fiscal note attached to this bill.

Thank you, Mr. Chairman, I would be happy to answer any questions.