Fifty-ninth Legislative Assembly of North Dakota

HOUSE BILL NO. 1342

Introduced by

Representatives Weisz, Drovdal, Ruby

Senator Trenbeath

- 1 A BILL for an Act to amend and reenact subsection 59 of section 39-01-01 and sections
- 2 39-29-01, 39-29-01.1, 39-29-02, 39-29-03, 39-29-04, 39-29-05, 39-29-06, 39-29-07, 39-29-08,
- 3 39-29-09, 39-29-10, 39-29-12, 51-20-01, and 57-40.3-01 of the North Dakota Century Code,
- 4 relating to all-terrain vehicles.

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BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

- SECTION 1. AMENDMENT. Subsection 59 of section 39-01-01 of the North Dakota
 Century Code is amended and reenacted as follows:
- 8 59. "Recreational vehicle" means any motorcycle not qualified for registration, 9 all terrain off-highway vehicle, snowmobile, vessel, or personal watercraft.
- SECTION 2. AMENDMENT. Section 39-29-01 of the North Dakota Century Code is amended and reenacted as follows:
- 12 **39-29-01. Definitions.** As used in this chapter, unless the context otherwise requires:
- "All terrain vehicle" means any motorized off-highway vehicle fifty inches [1270.00 millimeters] or less in width, having a dry weight of one thousand pounds [453.59 kilograms] or less, traveling on three or more low pressure tires, designed for operator use only with no passengers, having a seat or saddle designed to be straddled by the operator, and handlebars for steering control.
 - 2. "Dealer" means any person engaged in the business of buying, selling, or exchanging all-terrain off-highway vehicles or who advertises, or holds out to the public as engaged in the buying, selling, or exchanging of all-terrain off-highway vehicles, or who engages in the buying of all-terrain off-highway vehicles for resale.
- 23 <u>"Off-highway vehicle" means any wheeled motorized vehicle not designed for use</u> 24 on a highway and capable of cross-country travel on land, snow, ice, marsh,

1 swampland, or other natural terrain. An off-highway vehicle must be classified into 2 one of the following categories: 3 Class I off-highway vehicle is a vehicle that does not qualify as road capable a. 4 under chapters 39-21 and 39-27, has a seat or a saddle designed to be 5 straddled by the operator, and has handlebars for steering control of two 6 wheels. 7 Class II off-highway vehicle is less that fifty inches [1270.00 millimeters] in b. 8 width, travels on three or more low-pressure tires, has a saddle designed to 9 be straddled by the operator, and has handlebars for steering control. 10 Class III off-highway vehicle weighs less than eight thousand pounds, travels <u>C.</u> 11 on four or more tires, has a seat and a wheel for steering control, and is 12 designated for or capable of cross-country on or over land, water, sand, snow, 13 ice, marsh, swampland, or other natural terrain, unless registered by the 14 department under chapter 39-04. 15 3. "Operate" means to ride in or on and control the operation of an all-terrain 16 off-highway vehicle. 17 4. "Operator" means a person who operates or is in actual physical control of an 18 all-terrain off-highway vehicle. 19 5. "Owner" means a person, other than a lienholder, having the property in or title to an all-terrain off-highway vehicle and entitled to its use or possession. 20 21 6. "Register" means the act of assigning a registration number to an all terrain 22 off-highway vehicle. 23 SECTION 3. AMENDMENT. Section 39-29-01.1 of the North Dakota Century Code is 24 amended and reenacted as follows: 25 39-29-01.1. Safety fee - Imposition - Collection by dealer - Payment to department 26 - Use of fee. Upon the sale of an all-terrain a new or used off-highway vehicle, each a dealer 27 shall collect a five dollar safety fee from the buyer. By the end of each calendar quarter, the 28 dealer shall file a report with the parks and recreation department which discloses the number 29 of all terrain off-highway vehicles sold the previous months and includes the fees collected from 30 the buyer. Fees imposed under this section must be deposited in the all-terrain off-highway 31 vehicle fund established under subsection 2 of section 39-29-05. The fees may be used only

- by the parks and recreation department and only for all-terrain off-highway vehicle safety
 education and promotion.
 - **SECTION 4. AMENDMENT.** Section 39-29-02 of the North Dakota Century Code is amended and reenacted as follows:
 - **39-29-02.** All-terrain Off-highway vehicle registration. Except as provided in this chapter, a person may not operate an all-terrain off-highway vehicle unless it has been registered in accordance with under this chapter.
 - **SECTION 5. AMENDMENT.** Section 39-29-03 of the North Dakota Century Code is amended and reenacted as follows:
- **39-29-03.** Registration Application Issuance Fees Renewal.
 - 1. Application for registration must be made to the department of transportation in the form the department prescribes and furnishes. The registration must state the name and address of every owner of the all-terrain off-highway vehicle and be signed by at least one owner. A copy of the application is evidence of registration for the first thirty days after the date of application.
 - On receipt of an application and the appropriate fee, the department shall register
 the all-terrain off-highway vehicle and assign a registration number and a
 certificate of registration. The certificate of registration must include information
 regarding the make, year, serial number, and name and address of the owner.
 - 3. The fee for registration of each all-terrain off-highway vehicle is five dollars for a registration period of two years. For a duplicate or replacement registration number or registration card which is lost, mutilated, or becomes illegible, the department may charge a fee of not more than five dollars. For each all-terrain off-highway vehicle registered under this chapter, there is an all-terrain off-highway vehicle trail tax of five dollars.
 - 4. The owner of an all-terrain off-highway vehicle shall renew the registration in the manner the department prescribes and pay the registration fees and applicable tax provided in subsection 3.
 - On application for registration as prescribed in subsection 2, and on payment of the amounts prescribed in subsection 3, an all-terrain off-highway vehicle dealer is entitled to be issued registration numbers distinctively marked as dealer's

I	registration numbers. The dealer's registration numbers may be used only on
2	all-terrain off-highway vehicles owned by the dealership.
3	SECTION 6. AMENDMENT. Section 39-29-04 of the North Dakota Century Code is
4	amended and reenacted as follows:
5	39-29-04. Exemption from registration - Exemption from fees.
6	1. Registration and payment of fees is not required of:
7	a. All-terrain Off-highway vehicles owned and used by the United States or
8	another state or its political subdivisions.
9	b. All-terrain Off-highway vehicles registered in a foreign country and temporarily
10	used in this state.
11	c. All-terrain Off-highway vehicles validly licensed in another state and which
12	have not been within this state for more than thirty consecutive days.
13	d. All-terrain Off-highway vehicles used exclusively for work on private
14	agricultural lands or on industrial jobsites on private land.
15	e. All-terrain Off-highway vehicles used exclusively in organized track racing
16	events.
17	2. All-terrain Off-highway vehicles owned by the state or any of its political
18	subdivisions are exempt from the registration fees in section 39-29-03.
19	SECTION 7. AMENDMENT. Section 39-29-05 of the North Dakota Century Code is
20	amended and reenacted as follows:
21	39-29-05. Disposition of registration fees and trail tax.
22	1. Fees from registration of all-terrain off-highway vehicles must be deposited with
23	the state treasurer and credited to the motor vehicle registration fund.
24	2. The all-terrain off-highway vehicle trail tax must be deposited in a state off-highway
25	vehicle fund in the state treasury. The parks and recreation department may, on
26	appropriation by the legislative assembly, expend from that fund moneys for
27	establishing all-terrain off-highway vehicle facilities, all-terrain off-highway vehicle
28	use areas, and all terrain off-highway vehicle safety and education programs, and
29	enforcement of this chapter.
30	SECTION 8. AMENDMENT. Section 39-29-06 of the North Dakota Century Code is
31	amended and reenacted as follows:

- 39-29-06. Transfer or termination of all-terrain off-highway vehicle ownership Change of address of owner. Within fifteen days after the transfer of any ownership interest in an all-terrain off-highway vehicle, other than a security interest, or the destruction or abandonment of any all-terrain off-highway vehicle, or a change of address of the owner as listed with the application for registration, written notice of the fact must be given by the new owner to the director in the form the director requires.
- **SECTION 9. AMENDMENT.** Section 39-29-07 of the North Dakota Century Code is amended and reenacted as follows:
- **39-29-07. Licensing by political subdivisions.** Political subdivisions of this state may not require licensing or registration of all-terrain off-highway vehicles.
- **SECTION 10. AMENDMENT.** Section 39-29-08 of the North Dakota Century Code is amended and reenacted as follows:
- 39-29-08. Rules. Rules for the regulation and use of all-terrain vehicles must be adopted as follows:
 - 1. The department shall adopt rules for the registration of all-terrain off-highway vehicles and display of registration numbers.
 - 2. The director may, in the interest of public health, welfare, and safety, may regulate, by rule, the operation of all-terrain off-highway vehicles on state highways. The director's authority to prohibit the use of all-terrain off-highway vehicles is limited to the roadways, shoulders, inslopes, and medians within the right of way, except where such action is necessary to avoid an obstacle. Notwithstanding the racing prohibitions in section 39-08-03.1, the director may, on a case-by-case basis, permit organized and bona fide all-terrain off-highway vehicle races on the ditch bottoms, backslopes, and the top of the backslopes of the state highway rights of way. The planning, organization, route selection, and safety precautions of any such race are the sole responsibility of the person obtaining the permit. The director, the department, and the department's employees do not incur no any liability for permitting such races.
 - 3. The director may permit a political subdivision or a person acting under authority of a political subdivision to operate on the inside bank or slope of a highway for the purposes of weed and insect control.

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1 The director of the parks and recreation department shall adopt rules to regulate 2 use of all-terrain off-highway vehicles in state parks and other state-owned land 3 under the supervision of the director of the parks and recreation department. 4 4. <u>5.</u> The governing bodies of political subdivisions may adopt rules to regulate use of 5 all terrain off-highway vehicles in areas under their jurisdiction. The governing 6 body of a city may, by ordinance, regulate, restrict, and prohibit the use of 7 all-terrain off-highway vehicles operated in the city limits in areas under the 8 exclusive jurisdiction of the city. 9 SECTION 11. AMENDMENT. Section 39-29-09 of the North Dakota Century Code is amended and reenacted as follows: 10 11 39-29-09. Operation of all-terrain off-highway vehicles. 12 A person may not operate an all-terrain off-highway vehicle on the roadway, 13 shoulder, or inside bank or slope of any road, street, or highway except as 14 provided in this chapter. Except in emergencies, a person may not operate an 15 all terrain off-highway vehicle within the right of way of any controlled-access 16 highway. 17 2. The operator of an all-terrain off-highway vehicle may make a direct crossing of a 18 street or highway only if: 19 The crossing is made at an angle of approximately ninety degrees to the a. 20 direction of the highway and at a place where no obstruction prevents a quick 21 and safe crossing: 22 b. The all-terrain off-highway vehicle is brought to a complete stop before 23 crossing the shoulder or main traveled way of the highway; 24 C. The operator yields the right of way to all oncoming traffic which constitutes 25 an immediate hazard; and 26 In crossing a divided highway, the crossing is made only at an intersection of 27 the highway with another public street or highway. 28 A person may not operate an all-terrain off-highway vehicle unless it is equipped 3. 29 with at least one headlamp, one taillamp, and brakes, all in working order, which

conform to standards prescribed by rule of the director of the department of

transportation, except when under the direct supervision of an all-terrain

1 off-highway vehicle instructor teaching a certified all terrain off-highway vehicle 2 safety training course, the requirement for a headlamp and taillamp may be 3 waived. 4 The emergency conditions under which an all terrain off-highway vehicle may be 5 operated other than as provided by this chapter are only those that render the use 6 of an automobile impractical under the conditions and at the time and location in 7 auestion. 8 5. A person may not operate an all-terrain off-highway vehicle in the following ways, 9 which are declared to be unsafe and a public nuisance: 10 At a rate of speed greater than reasonable or proper under all the surrounding 11 circumstances. 12 b. In a careless, reckless, or negligent manner so as to endanger the person or 13 property of another or to cause injury or damage to such another person or 14 the property of another person. While under the influence of intoxicating liquor or a controlled substance. 15 C. 16 Without a lighted headlamp and taillamp except when used by an all-terrain d. 17 off-highway vehicle instructor during a certified all-terrain off-highway vehicle 18 safety training course. 19 In any tree nursery or planting in a manner which that damages growing e. 20 stock. 21 f. Without a manufacturer-installed or equivalent muffler in good working order 22 and connected to the all-terrain off-highway vehicle's exhaust system. 23 On any private land where the private land is posted prohibiting trespassing. g. 24 The name and address of the person posting the land and the date of posting 25 must appear on each sign in legible characters. The posted signs must be 26 readable from outside the land and be placed conspicuously at a distance of 27 not more than eight hundred eighty yards [804.68 meters] apart. Land entirely 28 enclosed by a fence or other enclosure is sufficiently posted by posting of 29 such these signs, at or on all gates through the fence or enclosure. 30 6. Except as provided in section 39-29-10, a person may not operate an all-terrain

off-highway vehicle without having in possession a valid driver's license or permit.

- 7. When an all-terrain off-highway vehicle is operated within the right of way of any road, street, or highway, during times or conditions that warrant the use of lights by other motor vehicles, the all-terrain off-highway vehicle must be operated in the same direction as the direction of other motor vehicles traveling on the side of the roadway immediately adjacent to the side of the right of way traveled by the all-terrain off-highway vehicle.
- 8. A person may not operate an all-terrain off-highway vehicle within the right of way of any highway while towing a sled, skid, or other vehicle, unless the object towed is connected to the all-terrain off-highway vehicle by a hinged swivel and secure hitch.
- 9. Helmet required. No A person under the age of eighteen years may not operate, ride, or otherwise be propelled on an all-terrain off-highway vehicle unless the person wears a safety helmet meeting United States department of transportation standards.
- 10. Passenger restrictions. No An operator of an all-terrain off-highway vehicle may not carry a passenger while operating, unless the off-highway vehicle has a specific passenger seat with a back rest.
- Unless otherwise provided by this chapter, an off-highway vehicle may be operated on an aggregate road surface only when designated as part of an active off-highway vehicle trail by the managing entity.
- **SECTION 12. AMENDMENT.** Section 39-29-10 of the North Dakota Century Code is amended and reenacted as follows:

39-29-10. Operation by persons under age sixteen.

- 1. Except as otherwise provided in this section, a person under sixteen years of age who is not in possession of a valid operator's license or permit to may not operate an all-terrain off-highway vehicle may not, except upon the lands of the person's parent or guardian, operate an all-terrain vehicle. A person born after July 31, 1997, must be in possession of a valid off-highway vehicle safety certificate before operating an off-highway vehicle.
- 2. A person at least twelve eight years of age and under twelve years of age may operate an all-terrain off-highway vehicle if the person has completed an all-terrain

- off-highway vehicle safety training course prescribed by the director of the parks and recreation department and, has received the appropriate all-terrain off-highway vehicle safety certificate issued by the director of the department of transportation, and is within twenty-five feet [7.58 meters] of parent or guardian. A person at least eight years of age who has received the appropriate off-highway vehicle safety certificate may operate a class I or class II off-highway vehicle with an engine of not more than seventy cubic centimeters.
- 3. A person at least twelve years of age who has received the appropriate off-highway vehicle safety certificate may operate a class I with an engine of not more than ninety cubic centimeters or a class II off-highway vehicle with an engine of not more than one hundred twenty-five cubic centimeters.
- 4. A person sixteen years of age or older who has received the appropriate off-highway vehicle safety certificate may operate a class I or class II off-highway vehicle with an engine of any size. A person without a valid operator's license or permit may not operate a class III off-highway vehicle.
- 5. The failure of an operator to exhibit an all-terrain off-highway vehicle safety certificate on demand to any official authorized to enforce this chapter is presumptive evidence that that person does not hold such a certificate. Fees collected from each person receiving certification must be deposited in the all-terrain off-highway vehicle trail tax fund for all-terrain off-highway vehicle safety education and training programs.
- **SECTION 13. AMENDMENT.** Section 39-29-12 of the North Dakota Century Code is amended and reenacted as follows:
- **39-29-12. Penalties.** Violation of subdivision b, c, or g of subsection 5 of section 39-29-09 is a class B misdemeanor. Violation of any other provision of section sections 39-29-09 and 39-29-10 is an infraction for which a fee of twenty dollars must be assessed. Violation of section 39-29-02 is an infraction, for which a fee of fifty dollars must be assessed. If the person provides proof of registration since the violation, the fee may be reduced by one-half. Violation of any other provision of this chapter is an infraction, for which a fee of ten dollars must be assessed.

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Legislative Assembly 1 SECTION 14. AMENDMENT. Section 51-20-01 of the North Dakota Century Code is 2 amended and reenacted as follows: 3 **51-20-01. Definitions.** As used in this chapter, unless the context requires otherwise: 4 1. "Contractual arrangement" means a written franchise or other written agreement, 5 by whatever name such agreement may be called, between a distributor and a 6 dealer whereby the dealer agrees to sell at retail and service the distributor's 7 recreation vehicles in a given location or locations, whether or not exclusively with

> 2. "Dealer" means a person, partnership, corporation, limited liability company, or other business entity which sells at retail and services new recreation vehicles.

the dealer is to perform service, an inventory of parts for those vehicles.

respect to a given geographic area, and the distributor authorizes the dealer to sell,

or sell and service, and agrees to supply an inventory of recreation vehicles, and, if

- 3. "Distributor" means any manufacturer, wholesaler, or distributor of recreation vehicles who has a contractual arrangement with a dealer in such vehicles.
- "Recreation vehicle" includes snowmobiles as defined in section 39-24-01, plus 4. trailers for transporting same when those trailers are furnished by the same distributor who furnishes the snowmobiles; all terrain off-highway vehicles as defined in section 39-29-01; motorcycles as defined in subsection 39 of section 39-01-01; travel trailers, which term means vehicles without motive power designed for recreational use as living or sleeping quarters for people and which do not exceed forty feet [12.19 meters] in length; and motorboats, whether propelled by an inboard or outboard marine engine, plus any outboard marine engines and boat trailers.
- 5. "Repair parts" includes accessories.
- SECTION 15. AMENDMENT. Section 57-40.3-01 of the North Dakota Century Code is amended and reenacted as follows:
- **57-40.3-01. Definitions.** As used in this chapter, except when the context clearly indicates a different meaning:
 - "All-terrain vehicle" means any motorized off-highway vehicle fifty inches 1. [1270 millimeters] or less in width, having a dry weight of one thousand pounds [453.59 kilograms] or less, traveling on three or more low-pressure tires, designed

- for operator use only with no passengers, having a seat or saddle designed to be straddled by the operator, and handlebars for steering control.
- 2. "Low-speed vehicle" means a four-wheeled vehicle that is able to attain a speed, upon a paved surface, of twenty miles per hour [32 kilometers per hour] in one mile [1.6 kilometers per hour] and not more than twenty-five miles per hour [40 kilometers per hour] in one mile [1.6 kilometers per hour] and may not exceed one thousand five hundred pounds [680.39 kilograms] in unloaded weight.
- 3. 2. "Motor vehicle" includes every vehicle that is self-propelled and every vehicle that is propelled by electric power obtained from overhead trolley wires, but not operated upon rails, every trailer, semitrailer, park model trailer as defined in subsection 2 of section 57-55-10, all-terrain off-highway vehicle, snowmobile, low-speed vehicle, and travel trailer for which a certificate of title is required to be obtained under chapter 39-05, but not including housetrailers or mobile homes.
 - 3. "Off-highway vehicle" means off-highway vehicle as defined in section 39-29-01.
 - 4. "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, business trust, receiver, or any other group or combination acting as a unit and the plural as well as the singular number.
 - 5. "Purchase price" means the total amount paid for the motor vehicle whether received in money or otherwise; provided, however, that when a motor vehicle or other tangible personal property that will be subject to a sales or use tax imposed by chapter 57-39.2 or 57-40.2 when sold or used is taken in trade as a credit or as part payment on a motor vehicle taxable under this chapter, the credit or trade-in value allowed by the person selling the motor vehicle shall be deducted from the total selling price to establish the purchase price of the vehicle being sold and the trade-in allowance allowed by the seller on a motor vehicle accepted as a trade-in shall constitute the purchase price of a motor vehicle accepted as a trade-in. If a motor vehicle is purchased by an owner who has had a motor vehicle stolen or totally destroyed, a credit or trade-in credit shall be allowed in an amount not to exceed the total amount the purchaser has been compensated by an insurance company for the loss but not to exceed the total amount of motor vehicle excise tax paid. The purchaser must provide the director of the department of transportation

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with a notarized statement from the insurance company verifying the fact that the original vehicle was a total loss and stating the amount compensated by the insurance company for the loss. The statement from the insurance company must accompany the purchaser's application for a certificate of title for the replacement vehicle. In instances in which a licensed motor vehicle dealer places into the dealer's service a new vehicle for the purpose of renting, leasing, or dealership utility service, the reasonable value of the vehicle replaced shall be included as trade-in value provided the vehicle replaced has been subject to motor vehicle excise tax under section 57-40.3-02 and if the new vehicle is properly registered and licensed. "Purchase price" when the motor vehicle is acquired by gift or by any other transfer for a nominal or no monetary consideration also includes the average value of similar motor vehicles, established by standards and guides as determined by the director of the department of transportation. "Purchase price" when a motor vehicle is manufactured by a person who registers it under the laws of this state means the manufactured cost of such motor vehicle and manufactured cost means the amount expended for materials, labor, and other properly allocable costs of manufacture except that, in the absence of actual expenditures for the manufacture of a part or all of the motor vehicle, manufactured cost means the reasonable value of the completed motor vehicle.

- 6. "Purchaser" means any person owning or in possession of a motor vehicle who makes application to the director of the department of transportation for registration plates or a certificate of title for such vehicle.
- 7. "Registrar" means the director of the department of transportation of this state as provided by section 24-02-01.3, and who shall act as the agent of the state tax commissioner in administering this chapter.
- 8. "Sale", "sells", "selling", "purchase", "purchased", or "acquired" includes any transfer of title or ownership of a motor vehicle by way of gift, exchange or barter, or by any other manner or by any other means whatsoever for or without consideration.
- 9. "Semitrailer" includes every vehicle of the trailer type so designed and used in conjunction with a motor vehicle that some part of its own weight and that of its

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- 1 own load rests upon or is carried by another motor vehicle and for which a 2 certificate of title is required to be obtained pursuant to the provisions of 3 chapter 39-05, except that it does not include a "housetrailer" or "mobile home". 4 10. "Snowmobile" means a self-propelled vehicle designed for travel on snow, ice, or a 5 natural terrain and steered by skis or runners. 6 11. "Trailer" includes every vehicle without motive power designed to carry property or 7 passengers wholly on its own structure and to be drawn by a motor vehicle and for 8 which a certificate of title is required to be obtained pursuant to the provisions of 9 chapter 39-05, except that it does not include a "housetrailer" or "mobile home". 10 12. "Travel trailer" means a mobile home or housetrailer designed to be towed behind 11 a motor vehicle for recreational purposes and providing temporary sleeping 12 quarters for people.
 - 13. "Use" means the exercise by any person of any right or power over a motor vehicle incident to the ownership or possession of such a vehicle, except that it shall not include the sale or holding for sale of such a vehicle in the regular course of business.
 - 14. "Vehicle" includes every device in, upon, or by which any person or property may be transported or drawn upon a public highway, except devices moved by human power or animal power or used exclusively upon stationary rails or tracks.