Fifty-ninth Legislative Assembly of North Dakota

FIRST ENGROSSMENT with Conference Committee Amendments ENGROSSED 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, 39-29-12, 51-20-01, and 57-40.3-01 of the North Dakota Century Code, relating to

4 all-terrain vehicles; and to provide a penalty.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

6 SECTION 1. AMENDMENT. Subsection 59 of section 39-01-01 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 59. "Recreational vehicle" means any motorcycle not qualified for registration,

9 all-terrain <u>off-highway</u> 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:

131. "All terrain vehicle" means any motorized off-highway vehicle fifty inches [1270.0014millimeters] or less in width, having a dry weight of one thousand pounds [453.5915kilograms] or less, traveling on three or more low-pressure tires, designed for16operator use only with no passengers, having a seat or saddle designed to be

17 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 <u>off-highway</u> vehicles or who advertises, or holds out to the
 public as engaged in the buying, selling, or exchanging of all terrain <u>off-highway</u>
 vehicles, or who engages in the buying of all terrain <u>off-highway</u> vehicles for
 resale.
- 23 2. "Off-highway vehicle" means any wheeled motorized vehicle not designed for use
 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 in	<u>to</u>
2		one of the following categories:	
3		a. Class I off-highway vehicle is a vehicle that does not qualify as road capable)
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		b. Class II off-highway vehicle is less that fifty inches [1270.00 millimeters] in	
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		c. Class III off-highway vehicle weighs less than eight thousand pounds, travel	<u>s</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,	
13		snow, ice, marsh, swampland, or other natural terrain, unless registered by	
14		the 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 an individual who operates or is in actual physical	
18		control of an all-terrain off-highway vehicle.	
19	5.	"Owner" means a person, other than a lienholder, having the property in or title to)
20		an all-terrain off-highway vehicle and entitled to its use or possession.	
21	6.	"Register" means the act of assigning a registration number to an all-terrain	
22		off-highway vehicle.	
23	SEC	TION 3. AMENDMENT. Section 39-29-01.1 of the North Dakota Century Code is	3
24	amended a	d reenacted as follows:	
25	39-2	9-01.1. Safety fee - Imposition - Collection by dealer - Payment to department	nt
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.	ees 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	

- 1 by the parks and recreation department and only for all-terrain off-highway vehicle safety
- 2 education and promotion.
- 3 SECTION 4. AMENDMENT. Section 39-29-02 of the North Dakota Century Code is
 4 amended and reenacted as follows:
- 39-29-02. All-terrain Off-highway vehicle registration. Except as provided in this
 chapter, a person an individual may not operate an all-terrain off-highway vehicle unless it has
 been registered in accordance with under this chapter.
- 8 **SECTION 5. AMENDMENT.** Section 39-29-03 of the North Dakota Century Code is 9 amended and reenacted as follows:
- 10 **39-29-03.** Registration Application Issuance Fees Renewal.
- 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 <u>off-highway</u> 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 <u>off-highway</u> 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 <u>off-highway</u> 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
 <u>off-highway</u> vehicle registered under this chapter, there is an all terrain <u>off-highway</u>
 vehicle trail tax of five dollars.
- 4. The owner of an all-terrain <u>off-highway</u> vehicle shall renew the registration in the
 manner the department prescribes and pay the registration fees and applicable tax
 provided in subsection 3.
- 5. On application for registration as prescribed in subsection 2, and on payment of
 the amounts prescribed in subsection 3, an all-terrain <u>off-highway</u> vehicle dealer is
 entitled to be issued registration numbers distinctively marked as dealer's

1	re	egistration 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. R	Registration and payment of fees is not required of:			
7	а	. 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			
10		temporarily used in this state.			
11	с	. 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. A	Il-terrain Off-highway vehicles owned by the state or any of its political			
18	S	ubdivisions are exempt from the registration fees in section 39-29-03.			
19	SECT	ION 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. F	ees from registration of all-terrain off-highway vehicles must be deposited with			
23	th	ne state treasurer and credited to the motor vehicle registration fund.			
24	2. T	he all-terrain off-highway vehicle trail tax must be deposited in a state off-highway			
25	V	ehicle fund in the state treasury. The parks and recreation department may, on			
26	а	ppropriation by the legislative assembly, expend from that fund moneys for			
27	е	stablishing all terrain off-highway vehicle facilities, all terrain off-highway vehicle			
28	u	se areas, and all terrain off-highway vehicle safety and education programs, and			
29	<u>e</u>	nforcement of this chapter.			
30	SECT	ION 8. AMENDMENT. Section 39-29-06 of the North Dakota Century Code is			
31	amended and reenacted as follows:				

	Legislative	Assembly				
1	39-2	29-06. Transfer or termination of all-terrain <u>off-highway</u> vehicle ownership -				
2	Change of	address of owner. Within fifteen days after the transfer of any ownership interest				
3	in an all-ter	rain off-highway vehicle, other than a security interest, or the destruction or				
4	abandonme	ent of any all-terrain off-highway vehicle, or a change of address of the owner as				
5	listed with t	listed with the application for registration, written notice of the fact must be given by the new				
6	owner to the director in the form the director requires.					
7	SEC	CTION 9. AMENDMENT. Section 39-29-07 of the North Dakota Century Code is				
8	amended and reenacted as follows:					
9	39-29-07. Licensing by political subdivisions. Political subdivisions of this state					
10	may not require licensing or registration of all-terrain off-highway vehicles.					
11	SEC	CTION 10. AMENDMENT. Section 39-29-08 of the North Dakota Century Code is				
12	amended a	nd reenacted as follows:				
13	39-2	29-08. Rules. Rules for the regulation and use of all-terrain vehicles must be				
14	adopted as	follows:				
15	1.	The department shall adopt rules for the registration of all terrain off-highway				
16		vehicles and display of registration numbers.				
17	2.	The director may, in the interest of public health, welfare, and safety, may regulate,				
18		by rule, the operation of all-terrain off-highway vehicles on state highways. The				
19		director's authority to prohibit the use of all-terrain off-highway vehicles is limited to				
20		the roadways, shoulders, inslopes, and medians within the right of way, except				
21		where such action is necessary to avoid an obstacle. Notwithstanding the racing				
22		prohibitions in section 39-08-03.1, the director may, on a case-by-case basis,				
23		permit organized and bona fide all-terrain off-highway vehicle races on the ditch				
24		bottoms, backslopes, and the top of the backslopes of the state highway rights of				
25		way. The planning, organization, route selection, and safety precautions of any				
26		such race are the sole responsibility of the person obtaining the permit. The				
27		director, the department, and the department's employees do not incur no any				
28		liability for permitting such races.				
29	3.	The director of the parks and recreation department shall adopt rules to regulate				
30		use of all-terrain off-highway vehicles in state parks and other state-owned land				
31		under the supervision of the director of the parks and recreation department.				

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14.The governing bodies of political subdivisions may adopt rules to regulate use of2all-terrain off-highway vehicles in areas under their jurisdiction. The governing3body of a city may, by ordinance, regulate, restrict, and prohibit the use of4all-terrain off-highway vehicles operated in the city limits in areas under the5exclusive jurisdiction of the city.

6 SECTION 11. AMENDMENT. Section 39-29-09 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **39-29-09.** Operation of all-terrain <u>off-highway</u> vehicles.

9 A person An individual may not operate an all terrain off-highway vehicle on the 1. 10 roadway, shoulder, or inside bank or slope of any road, street, or highway except 11 as provided in this chapter. Except in emergencies, a person an individual may 12 not operate an all-terrain off-highway vehicle within the right of way of any 13 controlled-access highway. An individual may operate a registered off-highway 14 vehicle on a gravel, dirt, or loose surface roadway. An individual may operate a 15 registered off-highway vehicle on a paved county or township roadway if the 16 off-highway vehicle is towing an implement of husbandry and does not exceed the 17 speed of twenty-five miles [40.23 kilometers] per hour. An individual may operate 18 a registered off-highway vehicle on a paved county or township roadway 19 designated and posted at a speed not exceeding forty-five miles [72.42 kilometers] 20 per hour. 21 2. The operator of an all-terrain off-highway vehicle may make a direct crossing of a 22 street or highway only if: 23 The crossing is made at an angle of approximately ninety degrees to the a. 24 direction of the highway and at a place where no obstruction prevents a quick 25 and safe crossing; 26 The all-terrain off-highway vehicle is brought to a complete stop before b. 27 crossing the shoulder or main traveled way of the highway; 28 The operator yields the right of way to all oncoming traffic which constitutes C. 29 an immediate hazard; and 30 d. In crossing a divided highway, the crossing is made only at an intersection of

the highway with another public street or highway.

1	3.	Apo	erson Unless an individual is operating a class 1 off-highway vehicle, an
2		indi	vidual may not operate an all-terrain off-highway vehicle unless it is equipped
3		with	n at least one headlamp, one taillamp, and brakes, all in working order, which
4		con	form to standards prescribed by rule of the director of the department of
5		tran	asportation, except when under the direct supervision of an all-terrain
6		<u>off-l</u>	highway vehicle instructor teaching a certified all-terrain off-highway vehicle
7		safe	ety training course, the requirement for a headlamp and taillamp may be
8		waiv	ved.
9	4.	The	emergency conditions under which an all-terrain off-highway vehicle may be
10		ope	rated other than as provided by this chapter are only those that render the use
11		of a	n automobile impractical under the conditions and at the time and location in
12		que	stion.
13	5.	Ap	erson An individual may not operate an all-terrain off-highway vehicle in the
14		follo	owing ways, which are declared to be unsafe and a public nuisance:
15		a.	At a rate of speed greater than reasonable or proper under all the surrounding
16			circumstances.
17		b.	In a careless, reckless, or negligent manner so as to endanger the person or
18			property of another or to cause injury or damage to such another person or
19			the property of another person.
20		C.	While under the influence of intoxicating liquor or a controlled substance.
21		d.	Without a lighted headlamp and taillamp except when used by an all-terrain
22			off-highway vehicle instructor during a certified all-terrain off-highway vehicle
23			safety training course.
24		e.	In any tree nursery or planting in a manner which that damages growing
25			stock.
26		f.	Without a manufacturer-installed or equivalent muffler in good working order
27			and connected to the all-terrain off-highway vehicle's exhaust system.
28		g.	On any private land where the private land is posted prohibiting trespassing.
29			The name and address of the person posting the land and the date of posting
30			must appear on each sign in legible characters. The posted signs must be
31			readable from outside the land and be placed conspicuously at a distance of

1		not more than eight hundred eighty yards [804.68 meters] apart. Land
2		entirely enclosed by a fence or other enclosure is sufficiently posted by
3		posting of such these signs, at or on all gates through the fence or enclosure.
4	6.	Except as provided in section 39-29-10, a person an individual may not operate an
5		all-terrain off-highway vehicle without having in possession a valid driver's license
6		or permit.
7	7.	When an all-terrain off-highway vehicle is operated within the right of way of any
8		road, street, or highway, during times or conditions that warrant the use of lights by
9		other motor vehicles, the all-terrain off-highway vehicle must be operated in the
10		same direction as the direction of other motor vehicles traveling on the side of the
11		roadway immediately adjacent to the side of the right of way traveled by the
12		all-terrain off-highway vehicle.
13	8.	A person An individual may not operate an all-terrain off-highway vehicle within
14		the right of way of any highway while towing a sled, skid, or other vehicle, unless
15		the object towed is connected to the all-terrain off-highway vehicle by a hinged
16		swivel and secure hitch.
17	9.	Helmet required. No person An individual under the age of eighteen years may
18		not operate, ride, or otherwise be propelled on an all-terrain off-highway vehicle
19		unless the person wears a safety helmet meeting United States department of
20		transportation standards.
21	10.	Passenger restrictions. No An operator of an all-terrain off-highway vehicle may
22		not carry a passenger while operating the vehicle unless the off-highway vehicle is
23		equipped and recommended by the manufacturer to carry a passenger and the
24		passenger is carried as recommended by the manufacturer.
25	<u>11.</u>	Unless otherwise provided by law, an off-highway vehicle may be operated on an
26		aggregate road surface only when designated as part of an active off-highway
27		vehicle trail by the managing entity.
28	SEC	CTION 12. AMENDMENT. Section 39-29-12 of the North Dakota Century Code is
29	amended a	nd reenacted as follows:
30	39-2	29-12. Penalties. Violation of subdivision b, c, or g of subsection 5 of section
31	39-29-09 is a class B misdemeanor. Violation of any other provision of section 39-29-09 is an	

1 infraction for which a fee of twenty dollars must be assessed. Violation of section 39-29-02 is 2 an infraction, for which a fee of fifty dollars must be assessed. If the person individual provides 3 proof of registration since the violation, the fee may be reduced by one-half. Violation of any 4 other provision of this chapter is an infraction, for which a fee of ten dollars must be assessed.

5 SECTION 13. AMENDMENT. Section 51-20-01 of the North Dakota Century Code is 6 amended and reenacted as follows:

7 **51-20-01. Definitions.** As used in this chapter, unless the context requires otherwise: 8 1. "Contractual arrangement" means a written franchise or other written agreement, 9 by whatever name such agreement may be called, between a distributor and a 10 dealer whereby the dealer agrees to sell at retail and service the distributor's 11 recreation vehicles in a given location or locations, whether or not exclusively with 12 respect to a given geographic area, and the distributor authorizes the dealer to 13 sell, or sell and service, and agrees to supply an inventory of recreation vehicles, 14 and, if the dealer is to perform service, an inventory of parts for those vehicles.

- 15 2. "Dealer" means a person, partnership, corporation, limited liability company, or 16 other business entity which sells at retail and services new recreation vehicles.
- 17 3. "Distributor" means any manufacturer, wholesaler, or distributor of recreation 18 vehicles who has a contractual arrangement with a dealer in such vehicles.
- 19 4. "Recreation vehicle" includes snowmobiles as defined in section 39-24-01, plus 20 trailers for transporting same when those trailers are furnished by the same 21 distributor who furnishes the snowmobiles; all-terrain off-highway vehicles as 22 defined in section 39-29-01; motorcycles as defined in subsection 39 of section 23 39-01-01; travel trailers, which term means vehicles without motive power 24 designed for recreational use as living or sleeping guarters for people and which 25 do not exceed forty feet [12.19 meters] in length; and motorboats, whether 26 propelled by an inboard or outboard marine engine, plus any outboard marine 27 engines and boat trailers.

28 "Repair parts" includes accessories. 5.

29 SECTION 14. AMENDMENT. Section 57-40.3-01 of the North Dakota Century Code is 30 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
 [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.
- 8 2. "Low-speed vehicle" means a four-wheeled vehicle that is able to attain a speed,
 9 upon a paved surface, of twenty miles per hour [32 kilometers per hour] in one mile
 10 [1.6 kilometers per hour] and not more than twenty-five miles per hour [40
 11 kilometers per hour] in one mile [1.6 kilometers per hour] and may not exceed one
 12 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.
- 19 <u>3.</u> <u>"Off-highway vehicle" means off-highway vehicle as defined in section 39-29-01.</u>
- 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.
- 24 5. "Purchase price" means the total amount paid for the motor vehicle whether 25 received in money or otherwise; provided, however, that when a motor vehicle or 26 other tangible personal property that will be subject to a sales or use tax imposed 27 by chapter 57-39.2 or 57-40.2 when sold or used is taken in trade as a credit or as 28 part payment on a motor vehicle taxable under this chapter, the credit or trade-in 29 value allowed by the person selling the motor vehicle shall be deducted from the 30 total selling price to establish the purchase price of the vehicle being sold and the 31 trade-in allowance allowed by the seller on a motor vehicle accepted as a trade-in

1 shall constitute the purchase price of a motor vehicle accepted as a trade-in. If a 2 motor vehicle is purchased by an owner who has had a motor vehicle stolen or 3 totally destroyed, a credit or trade-in credit shall be allowed in an amount not to 4 exceed the total amount the purchaser has been compensated by an insurance 5 company for the loss but not to exceed the total amount of motor vehicle excise tax 6 paid. The purchaser must provide the director of the department of transportation 7 with a notarized statement from the insurance company verifying the fact that the 8 original vehicle was a total loss and stating the amount compensated by the 9 insurance company for the loss. The statement from the insurance company must 10 accompany the purchaser's application for a certificate of title for the replacement 11 vehicle. In instances in which a licensed motor vehicle dealer places into the 12 dealer's service a new vehicle for the purpose of renting, leasing, or dealership 13 utility service, the reasonable value of the vehicle replaced shall be included as 14 trade-in value provided the vehicle replaced has been subject to motor vehicle 15 excise tax under section 57-40.3-02 and if the new vehicle is properly registered 16 and licensed. "Purchase price" when the motor vehicle is acquired by gift or by 17 any other transfer for a nominal or no monetary consideration also includes the 18 average value of similar motor vehicles, established by standards and guides as 19 determined by the director of the department of transportation. "Purchase price" 20 when a motor vehicle is manufactured by a person who registers it under the laws 21 of this state means the manufactured cost of such motor vehicle and manufactured 22 cost means the amount expended for materials, labor, and other properly allocable 23 costs of manufacture except that, in the absence of actual expenditures for the 24 manufacture of a part or all of the motor vehicle, manufactured cost means the 25 reasonable value of the completed motor vehicle.

- 8. "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
 own load rests upon or is carried by another motor vehicle and for which a
 certificate of title is required to be obtained pursuant to the provisions of
 chapter 39-05, except that it does not include a "housetrailer" or "mobile home".
- 10. "Snowmobile" means a self-propelled vehicle designed for travel on snow, ice, or a
 natural terrain and steered by skis or runners.
- 11. "Trailer" includes every vehicle without motive power designed to carry property or
 passengers wholly on its own structure and to be drawn by a motor vehicle and for
 which a certificate of title is required to be obtained pursuant to the provisions of
 chapter 39-05, except that it does not include a "housetrailer" or "mobile home".
- 16 12. "Travel trailer" means a mobile home or housetrailer designed to be towed behind
 17 a motor vehicle for recreational purposes and providing temporary sleeping
 18 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.