

2009 SENATE TRANSPORTATION

SB 2378

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2378

Senate Transportation Committee

Check here for Conference Committee

Hearing Date: February 5, 2009

Recorder Job Number: 8736

Committee Clerk Signature

*Jody Hauge*

Minutes:

**Senator Lee** opened the hearing on SB 2378 relating to off-highway vehicle registration and the disposition of registration fees and trail tax.

**Senator Potter** introduced and testified in support.

**Daryl Brandner**, President of the North Dakota Off Road Vehicle Association testified in support of SB 2378. Written testimony attachment #1.

**Senator Lee** asked what these off road areas looked like.

**Brandner** said there are few riding areas and what this money will do, it will be put into a fund for grants to local clubs to develop a local area. It will just provide more riding areas.

**Annette Behm-Caldwell**, Dealer and VP of North Dakota Powersports Dealers Association (NDPDA) testified in support of SB 2378. Written testimony #2.

**Kari Wanner**, Program Manager for Snowmobile North Dakota testified in support of SB 2378. Written testimony #3.

**Senator Marcellais** asked about when they groom if they get lease agreements with the land owners or what and who is liable for accidents.

**Wanner** said they do have leases with property landowners across the state. Right now they have about 2000 leases that they work with on annual bases. They are using right of ways

when they have to. Another option that we see is if they are forced to go into that right of way we always make sure they work with their local governing entities. She said Snowmobile North Dakota is required to carry one million dollars worth of liability insurance on every trail system.

**Senator Marcellais** asked if there was money paid for these leases.

**Wanner** said they pay \$1 per lease.

**Senator Nodland** asked if in their training they address riders that are driving in the ditches next to all the homeowners in housing developments.

**Wanner** said ND Parks and Recreation are addressing that issue in their training.

**Senator Marcellais** asked how they related to the educational system and if they coordinated with schools.

**Wanner** said that when they have training in the area, safety flyers are handed out to the schools and several communities will provide training opportunities during classroom time.

**Donald K. Litchfield**, member of the North Dakota Off-Road Vehicle Association testified in support of SB 2378. Written testimony #4.

**Senator Potter** asked how many members in their association.

**Litchfield** said there are about 150 members.

**Senator Nodland** said the question that he asked about riders riding anywhere, more trails would possibly solve this problem.

**Litchfield** said that is exactly right. Trails will solve rider's problems of finding place to ride. Just give them a trail and they will stay on it.

No Opposition

Neutral Opposition

**Arik Spencer**, Recreation Division Manager for the North Dakota Parks and Recreation

Department appeared before the committee offering neutral testimony for SB 2378. Written testimony #5.

**Senator Nodland** asked if dirt bike clubs might qualify for grants for trails.

**Spencer** answered yes.

**Senator Marcellais** asked about a short term registration fees.

**Spencer** said currently there is not but if you are going to use a off highway vehicle for over 30 days you need to register it. For snowmobiles there is an out of state public access permit which is \$15 but if they are in the state longer than 30 days they need the registration.

**Senator Lee** says there have been complaints from riders about sticking the decals on their machine because it defaces a piece of their equipment. Is there any support or interest for just a smaller license plate versus that decal?

**Spencer** deferred that question to the riders and the Department of Transportation.

Closed the hearing on SB 2378.

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2378

Senate Transportation Committee

Check here for Conference Committee

Hearing Date: February 5, 2009

Recorder Job Number: 8738

Committee Clerk Signature

*Jody Hauge*

### Committee Work

**Senator Lee** opened discussion on SB 2378.

**Senator Nodland** thinks this bill is in the right direction and addresses some problems. He was happy with the explanation on how and where the money would be spent. There was no opposition to the bill.

**Senator Lee** offered amendment #98256.0101 which offers an alternative for a small license plate versus a decal.

**Senator Nething** moved the amendment # 98256.0101.

**Senator Nodland** seconded.

Roll call Vote: 5-0-1. Senator Potter was absent.

**Senator Nodland** moved a Do Pass as amended and rerefer to appropriations.

**Senator Nething** seconded.

Roll call vote: 5-0-1. Senator Potter was absent.

Senator Nodland is the carrier.

**FISCAL NOTE**  
**Requested by Legislative Council**  
02/06/2009

Amendment to: SB 2378

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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$273,000		\$273,000
<b>Expenditures</b>				\$5,700		\$5,700
<b>Appropriations</b>				\$260,000		\$260,000

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **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 states the requirements for displaying a decal, increases the off-highway vehicle tax, and allows the parks and recreation department to use funds for off-highway vehicle facilities improvements and/or enforcement of applicable laws. The Amendment requires issuance of a plate on request.

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 1, paragraph 3 increases the off-highway vehicle tax from \$5 to \$15.

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.*

Parks & Rec: There are 26,000 registered off-highway vehicles that will be affected by this bill. The additional revenue generated every two years will be approximately \$260,000 (26,000 x \$10 increase in fees). Off-highway vehicle registrations are good for two years and expire on even years (2010, 2012, 2014, etc.).

DOT: Estimating 10% of ATV registrations requesting a solid plate at a cost to the registrant of \$5.00 per plate would yield \$13,000.

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.*

No additional expenditures to implement the original bill because decals are already printed on reflectorized material. Costs associated with issuing grants are not determinable due to unknown quantity and complexity of grants.

Developing and implementing a new ATV plate would cost:

Initial development – (plain small plate) \$500

Cost to procure 2,600 plates - \$5,200

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 is also included in the executive budget or relates to a continuing appropriation.*

No additional appropriations necessary for DOT.

The Parks and Recreation department would require an additional appropriation (\$260,000) to spend the additional revenue provided by this bill.

<b>Name:</b>	Glenn Jackson	<b>Agency:</b>	NDDOT
<b>Phone Number:</b>	328-4792	<b>Date Prepared:</b>	02/09/2009

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/27/2009

Bill/Resolution No.: SB 2378

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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$260,000		\$260,000
<b>Expenditures</b>				\$0		\$0
<b>Appropriations</b>				\$0		\$0

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **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 states the requirements for displaying a decal, increases the off-highway vehicle tax, and allows the parks and recreation department to use funds for off-highway vehicle facilities improvements and/or enforcement of applicable laws.

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 1, paragraph 3 increases the off-highway vehicle tax from \$5 to \$15

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.*

There are 26,000 registered off-highway vehicles that will be affected by this bill. The additional revenue generated every two years will be approximately \$260,000 (26,000 x \$10 increase in fees). Off-highway vehicle registrations are good for two years and expire on even years (2010, 2012, 2014, etc.).

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.*

No additional expenditures to implement this bill because decals are already printed on reflectorized material. Costs associated with issuing grants are not determinable due to unknown quantity and complexity of grants

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 is also included in the executive budget or relates to a continuing appropriation.*

No additional appropriations necessary for DOT.

<b>Name:</b>	Glenn Jackson	<b>Agency:</b>	NDDOT
<b>Phone Number:</b>	328-4792	<b>Date Prepared:</b>	01/29/2009



PROPOSED AMENDMENTS TO SENATE BILL NO. 2378

Page 1, line 9, replace "The registration number must be displayed on a decal made of" with "In addition, the department shall issue a decal made of reflectorized material which contains the registration number or the department shall issue one distinctive number plate upon the request of the owner. The operator of an off-highway vehicle shall securely affix and display the decal or the plate in a"

Page 1, remove line 10

Renumber accordingly

Date: 2-5-09  
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2378

Senate Transportation Committee

Check here for Conference Committee

Legislative Council Amendment Number 98258.101

Action Taken  Do Pass  Do Not Pass  Other

amendment

Motion Made By Senator Wachino Seconded By Senator Nodland

Senator	Yes	No	Senator	Yes	No
Chairman Senator Gary Lee	✓		Senator Tom Fiebiger	✓	
Senator George Nodland	✓		Senator Richard Marcellais	✓	
Senator Dave Nething	✓		Senator Tracy Potter		

Total (Yes) 5 No 0

Absent 1

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

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

Date: 2-5-09  
 Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2378

Senate Transportation Committee

Check here for Conference Committee

Legislative Council Amendment Number 98256.101

Action Taken  Do Pass  Do Not Pass  Other

as amended and refer to appropriation

Motion Made By Senator Nodland Seconded By Senator Nething

Senator	Yes	No	Senator	Yes	No
Chairman Senator Gary Lee	✓		Senator Tom Fiebiger	✓	
Senator George Nodland	✓		Senator Richard Marcellais	✓	
Senator Dave Nething	✓		Senator Tracy Potter		

Total (Yes) 5 No 0

Absent 1

Floor Assignment Senator Nodland

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

**REPORT OF STANDING COMMITTEE**

SB 2378: Transportation Committee (Sen. G. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the Appropriations Committee (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2378 was placed on the Sixth order on the calendar.

Page 1, line 9, replace "The registration number must be displayed on a decal made of" with "In addition, the department shall issue a decal made of reflectorized material which contains the registration number or the department shall issue one distinctive number plate upon the request of the owner. The operator of an off-highway vehicle shall securely affix and display the decal or the plate in a"

Page 1, remove line 10

Renumber accordingly

2009 SENATE APPROPRIATIONS

SB 2378

# 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2378

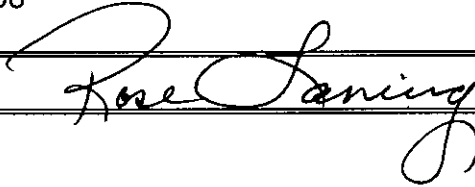
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: February 12, 2009

Recorder Job Number: 9368

Committee Clerk Signature



Minutes:

Chairman Holmberg called the committee hearing to order at 9:30 AM in regards to SB 2378 relating to off-highway vehicle registration and the disposition of registration fees and trail tax.

**Arik Spencer, Recreation Division Manager, ND Parks and Recreation Department.**

(Written attached testimony # 1)

This bill raises the cost at time of registration for an off-highway vehicle from \$10.00 to \$20.00 which includes the \$5.00 registration fee that DOT retains to produce the registration fees.

**Senator Seymour** asked how it works when they distribute to law enforcement agencies.

**Arik Spencer** replied that they take applications from law enforcement agencies to assist them and also notify them through the Sheriff's and Deputy's Association. The primary audience is with the county law enforcement, but city law enforcement would also be eligible. .

Chairman Holmberg closed the hearing on SB 2378.

**Senator Krauter moved Do Pass on SB 2378.**

**Senator Lindaas seconded.**

**A Roll Call vote was taken. Yea: 12 Nay: 1 Absent: 1**

**The bill will go back to the Transportation committee.**

Date: 2-12-09  
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2378

Senate \_\_\_\_\_ Committee \_\_\_\_\_

Check here for Conference Committee

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

Action Taken  Do Pass  Do Not Pass  Amended

Motion Made By Sen Krauter Seconded By Sen Lindaas

Representatives	Yes	No	Representatives	Yes	No
Senator Fischer	✓		Senator Warner	✓	
Senator Christmann A			Senator Robinson	✓	
Senator Krebsbach	✓		Senator Krauter	✓	
Senator Bowman	✓		Senator Lindaas	✓	
Senator Kilzer		✓	Senator Mathern	✓	
Senator Grindberg	✓		Senator Seymour	✓	
Senator Wardner	✓				
Chairman Holmberg	✓				

Total Yes 12 No 1

Absent 1

Floor Assignment Transportation

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

REPORT OF STANDING COMMITTEE (410)  
February 12, 2009 12:02 p.m.

Module No: SR-28-2510  
Carrier: Nodland  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

SB 2378, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed SB 2378 was placed on the Eleventh order on the calendar.



2009 HOUSE TRANSPORTATION

SB 2378

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2378

House Transportation Committee

Check here for Conference Committee

Hearing Date: 03/12/09

Recorder Job Number: 10816

Committee Clerk Signature

*Jeanette Cook*

Minutes:

**Senator David O'Connell, District 6, introduced SB 2378.** The bill relates to off highway vehicle registration. It raised the fee from \$5 to \$15 every two years.

**Daryl Brandner, President of the North Dakota Off Road Vehicle Association,** spoke in favor of SB 2378. See attachment #1.

**Representative Schmidt:** This is the first time that I have heard an association ask for a fee increase. I commend you for that.

**Representative Potter:** Is the fee \$5 now, and you are wanting to increase it to \$20?

**Daryl Brandner:** Right now of that \$20, the DOT already takes \$5 for administering the registration. The total fee is \$10 now, and it will go \$20. Five dollars of that currently goes to trails, and that would leave \$15.

**Representative Weiler:** Where is this riding area now?

**Daryl Brandner:** It is about sixteen miles south of Mandan, Rough Rider Trails.

**Representative Weiler:** Was this bill amended?

**Daryl Brandner:** I don't think so.

**Representative Weiler:** Are you aware that on page 2 line 7 it says, "The Department may also use the funds to make grants to law enforcement agencies for the purpose of enforcing

the laws"? So, you are asking to have your fees increased, so that law agencies can work to enforce the laws against you? Does that make sense at all?

**Daryl Brandner:** Correct. Yes, it does make sense. We are doing that, because we commonly hear that counties don't have money to provide additional law enforcement. This way they can apply for grants to provide additional enforcement.

**Annette Behm-Caldwell, Dealer Principal – Open Road Honda, Mandan and Vice President of North Dakota Powersports Dealers Association,** spoke in support of SB 2378. See attachment #2.

**Chairman Ruby:** What do you get when you register?

**Annette Behm-Caldwell:** You get a lovely silver sticker from the DOT.

**Donald K. Litchfield, member of the North Dakota Off Road Vehicle Association and active All Terrain Vehicle rider,** testified in favor of SB 2378. See attachment #3.

**Keri Wanner, the Program Manager for Snowmobile North Dakota,** spoke in favor of SB 2378.

See attachment #4.

**Representative Delmore:** Is there a penalty if a OHV owner doesn't register and uses public land? Would there be a fine?

**Keri Wanner:** I believe there is if you are operating on public property. I defer to North Dakota Parks and Recreation.

**Representative Thorpe:** Are the snowmobile trails used for OHVs as well in the summertime?

**Keri Wanner:** Yes and no, it depends on the land owners. They may not sign leases for the summer, since they are using that land in those seasons.

**Representative Thorpe:** Are the funds for the snowmobiles and OHVs kept separate?

**Keri Wanner:** They are two separate chapters, and they are kept separately.

There was no opposition for SB 2378.

**Arik Spencer, Recreation Division Manager for the North Dakota Parks and Recreation,**

offered neutral testimony for SB 2378. See attachment #5.

**Representative Delmore:** Right now is there a fine if someone doesn't have a decal?

**Arik Spencer:** There is a \$50 fine for failure to have a decal.

**Representative Delmore:** Are we going to have trouble collecting from dealers like we talked about with the snowmobiles?

**Arik Spencer:** The dealers can collect this as an optional service to their customers, but there is no requirement that they do so. Many times the individuals just go to the DOT motor vehicle registration area and register on their own. I don't see that as an issue.

**Representative Delmore:** Is there an incentive for me to go and register, other than just to do the right thing to help with the trails and safety?

**Arik Spencer:** I think the incentive is that you are funding your recreation, and if you were pulled over on public property you wouldn't get cited.

**Chairman Ruby:** Do you know if they are going to make a smaller plate?

**Arik Spencer:** Yes, I think that is their intent. The fiscal note talks about \$6,000 in anticipated expenditures out of the \$5 that they retain for that purpose.

There was no additional testimony on SB 2378.

**The hearing was closed on SB 2378.**

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2378

House Transportation Committee

Check here for Conference Committee

Hearing Date: 03/12/09

Recorder Job Number: 10872

Committee Clerk Signature

*Jeannette Cook*

Minutes:

**Chairman Ruby brought SB 2378** before the committee.

**Representative R. Kelsch** moved a **Do Pass** on SB 2378.

**Representative Sukut** seconded the motion.

**Chairman Ruby** reviewed the intent of the bill, which is a ten dollar increase in the registration fee for OHVs.

**Representative Weisz:** I don't really have a problem with the bill except if they are going to pay a ten dollar fee to develop trails, then I think that is where the money ought to go. I don't think that it should go to law enforcement; they can fund that in different ways. Maybe we should delete that out.

**Representative Gruchalla:** It seems like this is the same thing that we went through with the snowmobiles. There was some money set aside for the sheriff's department, so they could get enforcement out there. There had been complaints about people driving off the trails and going across private property. I think that is what the intent of that part is for. So, that Parks and Recs have some money to do that sort of thing. They don't have a lot of enforcement on those trails.

**Representative Weisz:** This doesn't go to Parks and Rec, it is granted to law enforcement.

**Representative R. Kelsch** withdrew her motion.

**Representative Sukut** withdrew his second to the motion.

**Representative Weisz** moved an amendment to remove page 2 line 7 through line 10.

**Representative Heller** seconded the motion.

**Representative Frantsvog:** This morning the supporters of this bill testified that wanted this money to be able to provide for additional enforcement. They want the enforcement.

**Representative Weiler:** Sometimes I wonder when these associations come in and say, "Our people want...". They don't survey their people, and then the people that buy machines end up paying more money each year for registration. It is designed to take this money, and it is a fee on the people that use these vehicles, and then they improve their facilities to try to grow their group. Part of that I don't have a problem with, but when they do come in and say, "Our people want it...", it is not the people that are buying the vehicles that want it. It is the organization that wants it. We are increasing another fee, when we have a 1.2 billion dollar surplus. I can't support that.

**Chairman Ruby:** This is a registration that they voluntarily pay because they want to be on certain trails. This doesn't go to everybody.

**Representative Potter:** There was a consumer in today that certainly supported the fee, and the whole program to get more trails for North Dakota. He said that he has to go out of state to find places to ride.

**Representative Frantsvog:** In the testimony that was provided by Annette-Behm Caldwell, she stated that the OHV license fee of \$20 or higher is supported by 88% of registered OHV owners in North Dakota. She references a park website where that information is available.

**Representative R. Kelsch:** I know that we do have a surplus, but this organization didn't come in asking us for money to build the trails. I think that this organization feels that the only

way they will get the trails built for them is to do it themselves. This is a way to build those new trails. To only have sixteen miles of trails and only south of Mandan is kind of sad if that is what people really enjoy doing.

A roll call vote was taken on the amendment. **Aye 6 Nay 7 Absent 1**

**The motion for the amendment failed.**

**Representative Sukut moved a Do Pass on SB 2378.**

**Representative R. Kelsch seconded the motion.**

A roll call vote was taken. **Aye 9 Nay 4 Absent 1**

**The motion passed.**

**Representative Gruchalla will carry SB 2378.**

Date: 3/12/09

Roll Call Vote #: \_\_\_\_\_

**2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES**

BILL/RESOLUTION NO. 2378

House TRANSPORTATION Committee

Check here for Conference Committee

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

Action Taken  Do pass  Don't Pass  Amended

Motion Made By Kelsch Seconded By Sukut

Representatives	Yes	No	Representatives	Yes	No
Representative Ruby - Chairman			Representative DeImore		
Rep. Weiler - Vice Chairman			Representative Griffin		
Representative Frantsvog			Representative Gruchalla		
Representative Heller			Representative Potter		
Representative R. Kelsch			Representative Schmidt		
Representative Sukut			Representative Thorpe		
Representative Vigasaa					
Representative Weisz					

Total Yes \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Bill Carrier \_\_\_\_\_

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



Date: 3/12/09

Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. \_\_\_\_\_

House TRANSPORTATION - Amendment Committee

Check here for Conference Committee

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

Action Taken  Do pass  Don't Pass  Amended

Motion Made By Weisz Seconded By Heller

Representatives	Yes	No	Representatives	Yes	No
Representative Ruby - Chairman	✓		Representative Delmore		✓
Rep. Weiler - Vice Chairman	✓		Representative Griffin		✓
Representative Frantsvog		✓	Representative Gruchalla		✓
Representative Heller	✓		Representative Potter		✓
Representative R. Kelsch		✓	Representative Schmidt	✓	
Representative Sukut		✓	Representative Thorpe	✓	
Representative Vigesaa	✓				
Representative Weisz					

Total Yes 6 No 7

Absent 1

Bill Carrier \_\_\_\_\_

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

Date: 3/12/09

Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2378

House TRANSPORTATION Committee

Check here for Conference Committee

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

Action Taken  Do pass  Don't Pass  Amended

Motion Made By <sup>2nd</sup> Kelsch Motion Seconded By Sukut

Representatives	Yes	No	Representatives	Yes	No
Representative Ruby - Chairman		✓	Representative Delmore	✓	
Rep. Weiler - Vice Chairman		✓	Representative Griffin	✓	
Representative Frantsvog	✓		Representative Gruchalla	✓	
Representative Heller		✓	Representative Potter	✓	
Representative R. Kelsch	✓		Representative Schmidt	✓	
Representative Sukut	✓		Representative Thorpe	✓	
Representative Vigesaa		✓			
Representative Weisz	A				

Total Yes 9 No 4

Absent 1

Bill Carrier Gruchalla

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

**REPORT OF STANDING COMMITTEE**

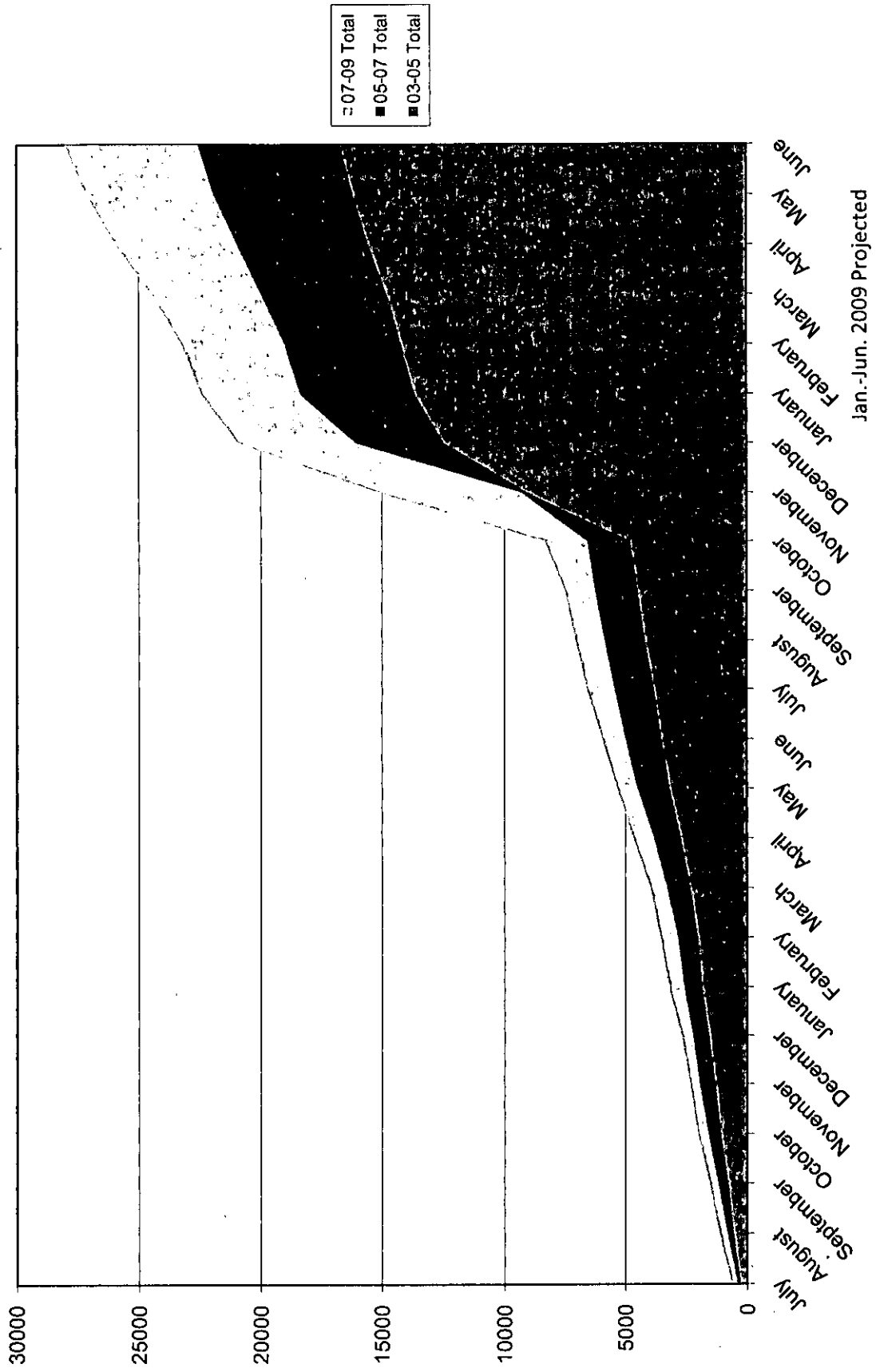
**SB 2378, as engrossed: Transportation Committee (Rep. Ruby, Chairman) recommends DO PASS (9 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2378 was placed on the Fourteenth order on the calendar.**

2009 TESTIMONY

SB 2378



# Total OHVs Registered



# 2

**Testimony – Senate Bill 2378**  
**Senate Transportation Committee**  
**February 5, 2009**

Testimony presented by Annette Behm-Caldwell  
Dealer Principal – Open Road Honda, Mandan  
Vice-President, North Dakota Powersports Dealers Association (NDPDA)

The North Dakota Powersports Dealers Association (NDPDA) is a network of professional powersports dealers, dedicating time and resources to protect, preserve and expand their businesses and the organizations associated with them.

We thank Senator's O'Connell, Flakoll and Potter for introducing this bill on behalf of the OHV riders in North Dakota.

The NDPDA recommends a Do Pass vote on SB 2378.

- Over the past 10 years, the number of OHV's registered in North Dakota has increased by over 22,000 from approximately 6,000 in the 1997-1999 biennium to a projected 28,000 this current biennium, an increase of over 350%.
- With the growth in OHV riders, there has been an increased demand from riders for designated OHV riding areas. The additional funds from the trail tax increase would be used primarily to create OHV riding areas and OHV safety education.
- Lack of OHV riding areas and OHV safety is an issue the state, counties and local municipalities are all experiencing. The additional trail tax funds would allow local riding groups to work with local governments to resolve those issues.
- This is a self-funding request. The OHV riders support this bill and should be commended for their willingness to self-fund OHV riding areas, rather than requesting support from the general fund.
- The OHV Trail Fee is an optional license. Those OHV riders who purchase an OHV for agricultural or private use on their own land are not required to pay the tax at time of purchase. If a used unit with a license is purchased, the user is not required to renew the license.
- The increase in the OHV Trail Tax fee would have no impact on the sale of OHVs as the increase in the license fee is minimal and would not price a consumer out of the market.
- The proposed OHV Trail Tax fee of \$7.50 per year is the 3<sup>rd</sup> lowest state trail tax fee in the nation.

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

#3

*Same  
Sum to  
Holders*

**TESTIMONY – SENATE BILL 2378  
SENATE TRANSPORTATION COMMITTEE  
FEBRUARY 5, 2009 – 10:15 AM  
LEWIS AND CLARK ROOM**

Mr. Chairman and members of the Senate Transportation Committee, my name is Keri Wanner 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 2378 relating to off-highway vehicle registration and the disposition of registration fees and trail tax.

In research conducted by North Dakota Parks and Recreation and Snowmobile North Dakota it was found there is a consistency between the OHV and snowmobile users. The majority of the snowmobile owners also own an OHV. Snowmobilers are used to the riding experiences offered to them during the winter season and would like to see the same opportunity exist for OHV's. Lack of riding opportunities has forced OHV's to utilize snowmobile trails at times which is not maintained for that particular use. Tracks created by OHV's on a snowmobile trail impacts the trail system by requiring additional maintenance to ensure safe riding opportunities exist for the snowmobilers. On average it costs \$7.03 to maintain one mile of snowmobile trail. Snowmobile North Dakota maintains 3,419 miles of snowmobile trail. This increase being brought forward to the Legislature from the OHV's users has the full support of the snowmobiling community.

The 3,419 miles of trail has been established for the past 30 plus years by volunteers from around the state. The volunteers have worked with private landowners and the local governing entities in the establishment of the trails. Snowmobile North Dakota would like to see these same trail opportunities exist for the OHV users and this increase will help ensure the existence of those trails.

Senate Bill 2378 is a bill with the full support of the snowmobiling community. Snowmobile North Dakota asks for a vote of DO PASS on Senate Bill 2378.

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



Senate Transportation Committee  
Senator ~~Thomas L. Trenbath~~, Chairman Gary Lee  
February 5, 2009

# 4

*Some  
given to  
The House*

Senate Bill No. 2378

Mr. Chairman, Members of the Committee:

My name is Donald K Litchfield. I live in Bismarck, North Dakota and am a member of the North Dakota Off Road Vehicle (OHV) Association. My wife and I are active All Terrain Vehicle (ATV) riders and have been for over 20 years. The use of these vehicles provides us with the opportunity to see and enjoy areas of our great country that we would otherwise never experience.

I am testifying in favor of Senate Bill 2378. The funds raised by increasing the OHV registration fee will provide numerous benefits as previously outlined here today.

I want to speak specifically about one intent of the Bill and that is to make more funds available for new trail development and maintenance of existing trails. The number of OHV's is growing every year. This growth is putting increased pressure on trail systems, both in North Dakota and across the nation. North Dakota, even with it's approximately 1.5 million acres of federal land and thousands more of state land, is woefully lacking in marked (signed) and dedicated trails for OHV use.

With the clarification of existing trails and development of new trails dedicated to OHV use, similar to the Maah Daah Hey trail for mountain bike use, we can provide recreational riding opportunities that will keep riders on trails, thus protecting the environment, and keep riders in-state helping North Dakota's economy. My wife and I do most of our recreational riding out-of- state simply because of the lack of dedicated riding trails for OHV's in North Dakota. The passage of SB 2378 will provide increased recreational opportunities in North Dakota.

I urge your support of SB 2378.

Donald K Litchfield

TESTIMONY – SENATE BILL 2378  
SENATE TRANSPORTATION COMMITTEE  
FEBRUARY 5, 2009 – 10:15 AM  
LEWIS AND CLARK ROOM

Mr. Chairman, members of the Senate Transportation Committee, I am Arik Spencer, Recreation Division Manager for the North Dakota Parks and Recreation Department. I appear offering neutral testimony for Senate Bill 2378.

Currently the department of transportation produces a registration decal for off-highway vehicles (OHV) but there is no requirement it be displayed. Section one of SB 2378 addresses this issue and gives the necessary guidance to law enforcement and riders.

Section two of SB 2378, raises the cost at time of registration for an off-highway vehicle from \$10.00 to \$20.00, which includes the \$5.00 registration fee the department of transportation retains for their expenses.

The parks and recreation department often receives questions from riders and clubs, asking what is being done to further OHV access in ND, specifically what is being done with OHV registration revenue? The answer is, with the amount of revenue generated from OHVs, \$5 per vehicle for two years; there are only enough funds to develop one area at a time. Last biennium, the Roughrider National Recreational Trail was rehabilitated and this biennium and next biennium, work is being done in cooperation with the game and fish department and local land owners to develop a riding area in the Pembina Gorge to manage uncontrolled OHV use.

Another question which is often asked is why a trail system, similar to the snowmobile trail system can't be developed. The reason is because snowmobile trail leases are secured through local riding clubs for \$1.00 per lease, allowing the limited funds in that program to go a great distance. Landowners have been open to these leases as there is no impact to their property once the snow melts. This is not true for OHV's as landowners are unwilling to sign trail leases as there is an obvious impact to the trail corridor and their worry of the impacts from off trail travel.

Frequently asked is why can't state parks be converted to riding areas? In this case, the total acreage of the state park system is very limited and cannot support OHV use without displacing other established uses such as camping, hiking or horseback riding in addition to the impact to the historic characters of many parks.

Because the current funding from the trail tax does not allow the development of new riding areas, the parks and recreation department has told riding groups, if they desire more places to ride they will need to come up with a solution to pay for them, which this bill does.

Should this bill pass, section three is needed to give the parks and recreation department the authority to grant out portions of the generated revenue for local riding area development and to deal with local law enforcement issues. (See hand out).

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

**SB 2378****Proposed Distribution of OHV Revenue****North Dakota Parks and Recreation Department**

Anticipated revenue with trail tax increase: \$420,000.00

Program	Amount	% of funds	Description & Purpose
Local Grant Program	\$147,000.00	35%	Grants to local government and riding clubs to develop local riding areas and trails. Aids in development of local riding areas and encourages formation of riding clubs.
Major Project Development	\$168,000.00	40%	For development of projects which have statewide importance in identified recreation basins.
Law Enforcement Grants	\$63,000.00	15%	Grants to law enforcement agencies to assist with local OHV enforcement challenges.
Education, Planning & Administration	\$42,000.00	10%	Funding education, public information & administration of the grant programs.

**Explanation:**

During the initial years of the funding increase the North Dakota Parks and Recreation Department will develop major riding areas in addition to offering grants for local through a local grant program. As riding areas are developed, the funding rations will modified so that funds can be utilized where needed. It is recommended that these funding levels be managed administratively and not be set by law so as to provide better responsiveness and flexibility in funding. Example: Should in year 3 of the registration increase, less funds be needed by the North Dakota Parks & Recreation Department to develop a riding area, those funds could be granted out for either law enforcement or local development.

INFORMATION – SENATE BILL 2378  
SENATE APPROPRIATION COMMITTEE  
THURSDAY, FEBRUARY 12, 2009 – 9:30 AM  
HARVEST ROOM

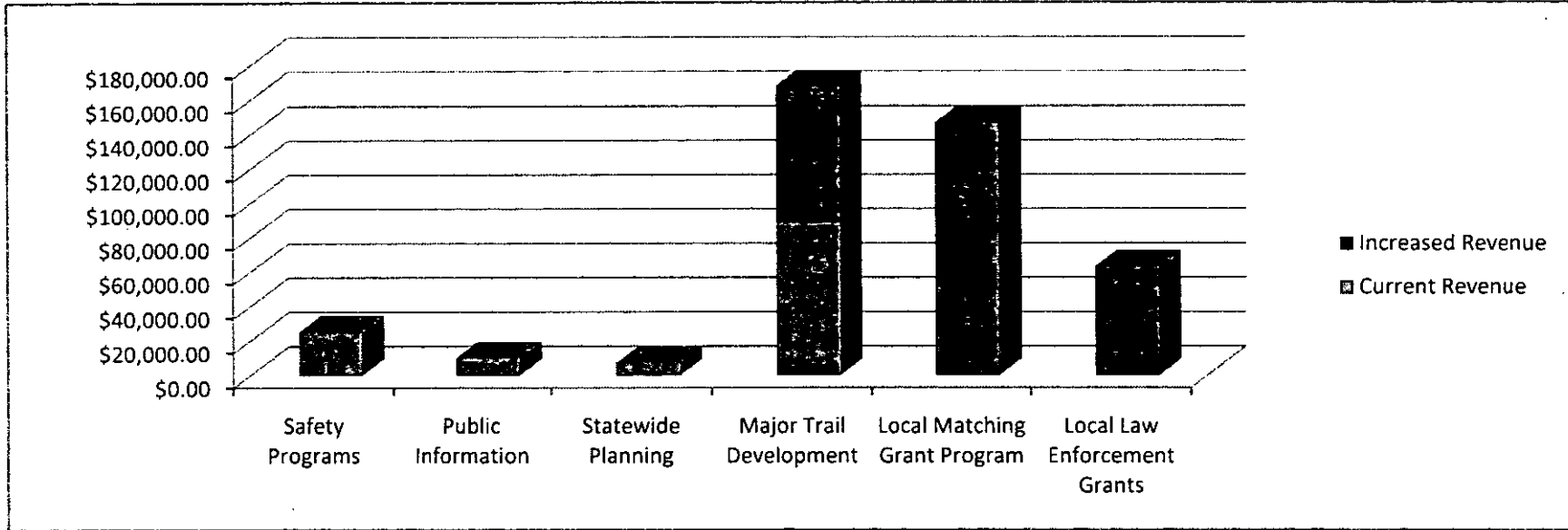
Mr. Chairman, members of the Senate Appropriation Committee, I am Arik Spencer, Recreation Division Manager for the North Dakota Parks and Recreation Department. I appear offering information regarding Senate Bill 2378 relating to off-highway vehicle registration and the disposition of registration fees and trail tax.

- Section Two
  - Raises the cost at time of registration for an off-highway vehicle from \$10.00 to \$20.00, which includes the \$5.00 registration fee the department of transportation retains for their expenses.
  - **The Parks and Recreation Department anticipates revenue increase of \$290,000 based upon a projected 28,000 registered OHVs this biennium. This projection is slightly higher than the fiscal note Department of Transportation prepared as it includes projected registrations through the end of the biennium, not just current registrations.**
  - Utilization of this projected income, if SB 2378 is approved, is reported on the attached chart.
  
- Section Three *- in original*
  - Authorizes the Parks and Recreation Department to grant out portions of the generated revenue for local riding area development and to deal with local law enforcement issues (utilization included in attached chart).

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

**SB 2378 - Relating to Off-Highway Vehicle Registration & Disposition of Registration Fees and Trail Tax  
North Dakota Parks and Recreation Department**

**Current Distribution of Trail Tax Revenue & Proposed Future Distribution of Trail Tax Revenue**



Anticipated revenue with trail tax increase: \$420,000.00

Program	Amount	% of funds	Description & Purpose
Local Grant Program	\$147,000.00	35%	Grants to local government and riding clubs to develop local riding areas and trails. Promotes formation of riding clubs.
Major Project Development	\$168,000.00	40%	Parks & Recreation Department development of projects which have statewide importance in identified recreation basins.
Law Enforcement Grants	\$63,000.00	15%	Grants to law enforcement agencies to assist with local OHV enforcement challenges.
Education, Planning & Administration	\$42,000.00	10%	Continued funding of current level of safety education, public information & statewide planning.

**Explanation:**

During the initial years of the funding increase the North Dakota Parks and Recreation Department will develop major riding areas in addition to offering grants for local through a local grant program. As riding areas are developed, the funding ratios will be modified so that funds can be utilized where needed. It is recommended that these funding levels be managed administratively and not be set by law so as to provide better responsiveness and flexibility in funding. Example: Should in year 3 of the registration increase, less funds be needed by the North Dakota Parks & Recreation Department to develop a riding area, those funds could be granted out for either law enforcement or local development.

# Attachment # 1

TESTIMONY-SENATE BILL 2378  
HOUSE TRANSPORTATION COMMITTEE

MARCH 6, 2009- 9:30AM

FORT TOTTEN ROOM

Mr. Chairman, members of the House Transportation Committee, I am Daryl Brandner, President of The North Dakota Off Road Vehicle Association. I appear today in support of Bill 2378 for the following reasons.

- It is a user initiated Registration Fee increase.
- It is a user generated distribution of funds plan to provide additional safe riding areas in ND.
- Currently there is 28,000 registered OHV's in ND, and that number is growing every biennium. That means we will need more places to operate safely.
- Presently \$5 for every registered OHV every biennium is used to provide riding areas
- This is an optional fee for only those who ride on Public Lands.
- At this time there is only one State Owned Riding area of 16 miles for 28,000 registered OHV's
- Many of us travel out of state to pursue our recreation, spending money out of state instead of here. Economic impact results of \$160 per day per OHV.
- This Plan will also provide additional Safety Training money for our younger riders.
- There is a dire need to provide more riding areas for people to safely operate their OHV's
- OHV riders are not asking for a hand out, but instead, a mechanism to allow them to generate a pool of funds themselves, as the program is solely funded through user generated fees.
- ND Riders support an overall registration fee increase to \$ 20 per biennium as a reasonable and appropriate fee.

Mr. Chairman, members of the House Transportation Committee, I would be pleased to answer any questions the committee may have.

# Attachment # 2

**Testimony – Senate Bill 2378  
House Transportation Committee  
March 12, 2009**

Testimony presented by Annette Behm-Caldwell  
Dealer Principal – Open Road Honda, Mandan  
Vice-President, North Dakota Powersports Dealers Association (NDPDA)

The North Dakota Powersports Dealers Association (NDPDA) is a network of professional powersports dealers, dedicating time and resources to protect, preserve and expand their businesses and the organizations associated with them.

We thank Representatives Gruchelle, Nelson and Kelsch for introducing this bill on behalf of the OHV riders in North Dakota.

The NDPDA recommends a Do Pass vote on SB 2378.

- Over the past 10 years, the number of OHV's registered in North Dakota has increased by over 22,000 from approximately 6,000 in the 1997-1999 biennium to a projected 28,000 this current biennium, an increase of over 350%.
- With the growth in OHV riders, there has been an increased demand from riders for designated OHV riding areas. The development of off-road parks and trails were found to be a top priority in a 2007 survey of North Dakota households ([www.parkrec.nd.gov/recreation/planning/scorp6.pdf](http://www.parkrec.nd.gov/recreation/planning/scorp6.pdf)).
- Lack of OHV riding areas and OHV safety is an issue the state, counties and local municipalities are all experiencing. Through a local matching grant program utilizing the additional OHV license fees collected, local riding groups may work with local governments to develop riding areas and trails.
- This is a self funding request. The OHV riders support this bill and should be commended for their willingness to self-fund riding areas rather than requesting support from the general fund. An OHV license fee of \$20.00 or higher is supported by 88% of registered OHV owners in ND. ([www.parkrec.nd.gov/recreation/ohv/Enthusiast.pdf](http://www.parkrec.nd.gov/recreation/ohv/Enthusiast.pdf) page 46)
- Payment of the OHV license fee is optional and not required at the time of an OHV purchase. Those OHV riders who purchase an OHV for agricultural or private use on their own land are not required to license their OHV at time of purchase. If a used unit with a license is purchased, the user is not required to renew the license.
- The increase in the OHV license fee would have no impact on the sale of OHVs as the increase in the license fee is minimal and would not price a consumer out of the market.
- The proposed OHV license fee of \$7.50 per year is the 3<sup>rd</sup> lowest state trail tax fee in the nation.

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

# Attachment # 5

TESTIMONY – SENATE BILL 2378  
HOUSE TRANSPORTATION COMMITTEE  
MARCH 12, 2009 – 9:45 AM  
FORT TOTTEN ROOM

Mr. Chairman, members of the House Transportation Committee, I am Arik Spencer, Recreation Division Manager for the North Dakota Parks and Recreation Department. I appear offering neutral testimony for Senate Bill 2378.

Currently the department of transportation produces a registration decal for off-highway vehicles (OHV) but there is no requirement it be displayed. Section one of SB 2378 addresses this issue and gives the necessary guidance to law enforcement and riders.

Section one also raises the cost at time of registration for an off-highway vehicle from \$10.00 to \$20.00, which includes the \$5.00 registration fee the department of transportation retains for their expenses.

The parks and recreation department often receives questions from riders and clubs, asking what is being done to further OHV access in ND, specifically what is being done with OHV registration revenue? The answer is, with the amount of revenue generated from OHVs, \$5 per vehicle for two years; there are only enough funds to develop one area at a time. Last biennium, the Roughrider National Recreational Trail was rehabilitated and this biennium and next biennium, work is being done in cooperation with the game and fish department and local land owners to develop a riding area in the Pembina Gorge to manage uncontrolled OHV use.

Another question which is often asked is why a trail system, similar to the snowmobile trail system can't be developed. The reason is because snowmobile trail leases are secured through local riding clubs for \$1.00 per lease, allowing the limited funds in that program to go a great distance. Landowners have been open to these leases as there is no impact to their property once the snow melts. This is not true for OHV's as landowners are unwilling to sign trail leases as there is an obvious impact to the trail corridor and their worry of the impacts from off trail travel.

Frequently asked is why can't state parks be converted to riding areas? In this case, the total acreage of the state park system is very limited and cannot support OHV use without displacing other established uses such as camping, hiking or horseback riding in addition to the impact to the historic characters of many parks.

Because current funding from registration does not allow the additional development of new riding areas, the parks and recreation department has told riding groups, if they desire more places to ride they will need to come up with a solution to pay for them, which this bill does.

Should this bill pass, section two is needed to give the parks and recreation department the authority to grant out portions of the generated revenue for local riding area development and to deal with local law enforcement issues. (See hand out).

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