

**NONRESIDENT USER FEE FOR
OFF-HIGHWAY VEHICLE USERS**

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: DeMar Bud Bowman

LONG TITLE

General Description:

This bill modifies the Motor Vehicles Code to amend off-highway vehicle registration and nonresident user fees provisions.

Highlighted Provisions:

This bill:

- ▶ amends the snowmobile nonresident user fee to include all off-highway vehicles;
- ▶ provides that all off-highway vehicles, not just snowmobiles, that are owned by nonresidents and are displaying a Utah off-highway vehicle user decal are exempt from registration;
- ▶ eliminates the off-highway vehicle registration exemption for nonresidents;
- ▶ requires a nonresident off-highway vehicle owner in the state to apply for a decal and provide evidence of nonresident status and ownership of the off-highway vehicle;
- ▶ exempts nonresident owned off-highway vehicles used exclusively for the purposes of a scheduled competitive event or certain other events;
- ▶ provides that off-highway user fee revenues may be used for all off-highway vehicles, not just snowmobiles; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on July 1, 2004.

Utah Code Sections Affected:

AMENDS:

41-22-9, as last amended by Chapter 30, Laws of Utah 2000

41-22-35, as enacted by Chapter 1, Laws of Utah 1999

Be it enacted by the Legislature of the state of Utah:

Section 1. Section 41-22-9 is amended to read:

41-22-9. Vehicles exempt from registration.

The following off-highway vehicles are exempt from the registration requirements of this chapter:

(1) vehicles that are currently registered for highway use, have a valid motor vehicle safety inspection sticker or certificate, and on which the required safety equipment has not been subsequently modified;

~~[(2) off-highway vehicles, except snowmobiles, that are not in the state more than 14 days in any year and are owned by a nonresident;]~~

~~[(3) snowmobiles]~~ (2) off-highway vehicles that are owned by a nonresident and that are displaying a current annual ~~[snowmobile]~~ off-highway vehicle user ~~[fee]~~ decal in accordance with Section 41-22-35;

~~[(4)]~~ (3) off-highway vehicles sold by a dealer to a person who is not a resident of this state;

~~[(5)]~~ (4) off-highway implements of husbandry operated in the manner prescribed by Subsections 41-22-5.5(3) through (5); and

~~[(6)]~~ (5) new off-highway vehicles being transported to an off-highway vehicle dealership by the dealer, employee of the dealership, or agent for the dealership.

Section 2. Section 41-22-35 is amended to read:

41-22-35. Off-highway vehicle user fee -- Decal -- Agents -- Penalty for fraudulent issuance of decal -- Deposit and use of fee revenue.

(1) (a) Except as provided in Subsection (1)(b), any nonresident owning ~~[a snowmobile]~~ an off-highway vehicle who operates or gives another person permission to operate the

~~[snowmobile]~~ off-highway vehicle on any public land, trail, street, or highway in this state shall:

(i) apply for an off-highway vehicle decal issued exclusively for an off-highway vehicle owned by a nonresident of the state;

(ii) pay an annual ~~[snowmobile]~~ off-highway vehicle user fee[-]; and

(iii) provide evidence that:

(A) the person is a nonresident; and

(B) the person is the owner of the off-highway vehicle.

(b) ~~[A snowmobile]~~ The provisions of Subsection (1)(a) do not apply to an off-highway vehicle if the off-highway vehicle is:

(i) registered in [a] another state that offers reciprocal operating privileges to Utah residents [pursuant to] under rules [of] made by the board [is exempt from the annual snowmobile user fee.]; or

(ii) used exclusively for the purposes of a scheduled competitive event sponsored by a public or private entity or another event sponsored by a governmental entity under rules made by the board.

(2) The ~~[snowmobile]~~ off-highway vehicle user fee [shall be] is \$30.

~~[(3) The board may establish procedures for the payment of snowmobile user fees by rule.]~~

~~[(4) The person paying the fee shall]~~

(3) Upon compliance with the provisions of Subsection (1)(a), the nonresident shall:

(a) receive a nonresident off-highway vehicle user decal indicating [the fee has been paid. The decal shall be displayed on the snowmobile in accordance with rules of the board.]

compliance with the provisions of Subsection (1)(a); and

(b) display the decal on the off-highway vehicle in accordance with rules made by the board.

(4) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the board shall make rules establishing:

(a) procedures for:

- (i) the payment of off-highway vehicle user fees; and
- (ii) the display of a decal on an off-highway vehicle as required under Subsection (3)(b);
- (b) acceptable evidence indicating compliance with Subsection (1);
- (c) eligibility requirements for reciprocal operating privileges for nonresident users; and
- (d) eligibility for scheduled competitive events or other events under Subsection (1)(b)(ii).

(5) (a) ~~[Snowmobile user fees may be collected]~~ An off-highway vehicle user decal may be issued and the off-highway vehicle user fee may be collected by the division or agents of the division.

(b) An agent shall retain 10% of all ~~[snowmobile]~~ off-highway vehicle user fees collected.

(c) The division may require agents to obtain a bond in a reasonable amount.

(d) On or before the tenth day of each month, each agent shall:

(i) report all sales to the division; and

(ii) submit all ~~[snowmobile]~~ off-highway vehicle user fees collected less the remuneration provided in Subsection (5)(b).

(e) (i) If an agent fails to pay the amount due, the division may assess a penalty of 20% of the amount due.

(ii) Delinquent payments shall bear interest at the rate of 1% per month.

(iii) If the amount due is not paid because of bad faith or fraud, the division shall assess a penalty of 100% of the total amount due together with interest.

(f) All fees collected by an agent, except the remuneration provided in Subsection (5)(b), shall:

(i) be kept separate and apart from the private funds of the agent; and

(ii) belong to the state ~~[of Utah]~~.

(g) An agent may not issue ~~[a snowmobile]~~ an off-highway vehicle user ~~[fee]~~ decal to any person unless the person furnishes evidence ~~[that the person is a nonresident]~~ of compliance with the provisions of Subsection (1)(a).

(h) A violation of any provision of this Subsection (5) is a class B misdemeanor and may be cause for revocation of the agent authorization.

(6) Revenue generated by [~~snowmobile~~] off-highway vehicle user fees shall be[~~:(a)~~] deposited in the Off-highway Vehicle Account created in Section 41-22-19[~~; and~~].

[~~(b) used for the construction, improvement, operation, or maintenance of snowmobile trails.~~]

Section 3. Effective date.

This bill takes effect on July 1, 2004.