

Representative DeMar Bud Bowman proposes the following substitute bill:

**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;
- ▶ provides that off-highway user fee revenues may be used for all highway vehicles, not just snowmobiles; and
- ▶ makes technical changes.



26 **Monies Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 This bill takes effect on July 1, 2004.

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **41-22-9**, as last amended by Chapter 30, Laws of Utah 2000

33 **41-22-35**, as enacted by Chapter 1, Laws of Utah 1999



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

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

37 **41-22-9. Vehicles exempt from registration.**

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

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

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

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

48 [~~(4)~~] (3) off-highway vehicles sold by a dealer to a person who is not a resident of this
49 state;

50 [~~(5)~~] (4) off-highway implements of husbandry operated in the manner prescribed by
51 Subsections 41-22-5.5(3) through (5); and

52 [~~(6)~~] (5) new off-highway vehicles being transported to an off-highway vehicle
53 dealership by the dealer, employee of the dealership, or agent for the dealership.

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

55 **41-22-35. Off-highway vehicle user fee -- Decal -- Agents -- Penalty for fraudulent**
56 **issuance of decal -- Deposit and use of fee revenue.**

57 (1) (a) Except as provided in Subsection (1)(b), any nonresident owning [~~a~~
58 ~~snowmobile~~] an off-highway vehicle who operates or gives another person permission to
59 operate the [~~snowmobile~~] off-highway vehicle on any public land, trail, street, or highway in
60 this state shall:

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

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

64 (iii) provide evidence that:

65 (A) the person is a nonresident; and

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

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

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

72 (ii) used exclusively for the purposes of a scheduled competitive event under rules
73 made by the board.

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

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

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

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

79 (a) receive a nonresident off-highway vehicle user decal indicating [~~the fee has been~~
80 ~~paid. The decal shall be displayed on the snowmobile in accordance with rules of the board.]~~
81 compliance with the provisions of Subsection (1)(b); and

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

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

86 (a) procedures for:

87 (i) the payment of off-highway vehicle user fees; and

88 (ii) the display of a decal on an off-highway vehicle as required under Subsection

89 (3)(b);

90 (b) acceptable evidence indicating compliance with Subsection (1);

91 (c) eligibility requirements for reciprocal operating privileges for nonresident users;

92 and

93 (d) eligibility for scheduled competitive events under Subsection (1)(b)(ii).

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

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

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

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

101 (i) report all sales to the division; and

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

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

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

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

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

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

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

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

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

118 (6) Revenue generated by [~~snowmobile~~] off-highway vehicle user fees shall be[~~:(a)~~]

119 deposited in the Off-highway Vehicle Account created in Section 41-22-19[~~;~~and].
120 [~~(b) used for the construction, improvement, operation, or maintenance of snowmobile~~
121 ~~trails.~~]

122 Section 3. **Effective date.**

123 This bill takes effect on July 1, 2004.