

SENATE BILL NO. 434—COMMITTEE ON NATURAL RESOURCES
(ON BEHALF OF THE LEGISLATIVE COMMITTEE ON PUBLIC LANDS)

MARCH 20, 2007

Referred to Committee on Transportation and Homeland Security

SUMMARY—Revises provisions governing off-highway vehicles.
(BDR 43-400)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to off-highway vehicles; requiring an owner of an off-highway vehicle to apply for the issuance of a certificate of title for the off-highway vehicle under certain circumstances; requiring the Department of Motor Vehicles to charge and collect certain fees; creating the Fund for Off-Highway Vehicles; creating the Committee on Off-Highway Vehicles; requiring the Department to adopt certain regulations relating to off-highway vehicles; requiring an owner of an off-highway vehicle to apply for the issuance of a certificate of operation for the off-highway vehicle within a certain period; providing exceptions; authorizing the Department to impose administrative fines for violations of certain provisions governing off-highway vehicles; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law prohibits a person from operating an off-highway vehicle on a
- 2 highway in this State unless the person has obtained a certificate of operation for
- 3 the off-highway vehicle and has attached the certificate of operation to the off-
- 4 highway vehicle in the manner specified by the Department of Taxation. (NRS
- 5 490.080) The term "off-highway vehicle" means any motor vehicle that is designed
- 6 primarily for off-highway and all-terrain use, including, without limitation, an all-
- 7 terrain vehicle, an all-terrain motorcycle, a dune buggy, a snowmobile or any motor
- 8 vehicle used for recreational purposes on public lands. (NRS 490.060) The term



9 "highway" means any way that is maintained by a public authority and is open for
10 use by the public for vehicular traffic. (NRS 482.045, 490.040)

11 Existing law requires an authorized dealer of off-highway vehicles to issue a
12 certificate of operation for the off-highway vehicle upon the sale of the off-highway
13 vehicle or upon request by a person who purchased the off-highway vehicle outside
14 this State under certain circumstances. (NRS 490.070)

15 **Sections 3-10** of this bill add new provisions to chapter 490 of NRS relating to
16 off-highway vehicles.

17 **Section 5** of this bill requires a person who acquires ownership of an off-
18 highway vehicle on or after January 1, 2008, to apply to the Department of Motor
19 Vehicles for the issuance of a certificate of title for the off-highway vehicle within
20 30 days after acquiring ownership of the off-highway vehicle.

21 **Section 6** of this bill provides for the issuance of a class 1 or class 2 certificate
22 of operation for an off-highway vehicle. Each certificate of operation is valid for 2
23 years after the date of issuance. The fee for each certificate of operation is \$12.50.
24 **Section 6** prohibits the Department from issuing a class 2 certificate of operation on
25 or after January 1, 2009. However, a class 2 certificate of operation issued before
26 that date remains subject to renewal and, if renewed, remains valid.

27 **Section 7** of this bill requires the Department of Motor Vehicles to charge and
28 collect a fee in the amount of \$12.50 for each class 1 or class 2 certificate of
29 operation issued or renewed by the Department. The fee is in addition to the fee
30 imposed pursuant to **section 6** of this bill.

31 **Section 8** of this bill creates the Fund for Off-Highway Vehicles in the State
32 Treasury. The Committee on Off-Highway Vehicles is required to administer the
33 Fund. All money received from the fees collected pursuant to **section 7** of this bill
34 must be deposited into the Fund. All money deposited into the Fund must be used
35 only for projects relating to off-highway vehicles pursuant to **section 10** of this bill.

36 **Section 9** of this bill creates the Committee on Off-Highway Vehicles. The
37 Committee consists of eight members, one member from the Division of State
38 Parks of the State Department of Conservation and Natural Resources, one member
39 who represents the environment and six members who have participated in various
40 recreational activities concerning off-highway vehicles. Each member of the
41 Committee serves for a term of 2 years and, if money is available from the Fund, is
42 entitled to receive the per diem allowance and travel expenses provided to state
43 officers and employees.

44 **Section 10** of this bill imposes various duties upon the Committee, including,
45 without limitation, the duty to select four nonvoting advisers to the Committee and
46 to adopt regulations for awarding grants from the Fund. **Section 10** authorizes the
47 Committee to award a grant of money from the Fund for studying, planning,
48 obtaining, enhancing or maintaining trails and facilities for use by owners and
49 operators of off-highway vehicles and for law enforcement, safety training and
50 education relating to off-highway vehicles.

51 **Section 13** of this bill provides that an authorized dealer of off-highway
52 vehicles may receive and submit to the Department of Motor Vehicles applications
53 for the issuance or renewal of certificates of operation or for the issuance of
54 certificates of title for off-highway vehicles. Each authorized dealer must submit
55 the applications to the Department on or before the end of the month in which the
56 authorized dealer receives the applications. **Section 13** also allows each authorized
57 dealer to retain a fee of not more than \$2 for each application for a certificate of
58 operation received by the authorized dealer. In addition, **section 13** requires the
59 Department to adopt various regulations, including, without limitation, regulations
60 for the renewal of certificates of operation by mail, the collection of a fee of not
61 more than \$25 for the renewal of a certificate of operation and the imposition of
62 administrative fines for certain violations concerning off-highway vehicles.



Section 14 of this bill prohibits a person from operating an off-highway vehicle in this State without a certificate of operation for the off-highway vehicle, regardless of whether the person operates the off-highway vehicle on a highway. **Section 14** further requires each owner of an off-highway vehicle to apply, within 30 days after acquiring ownership of the off-highway vehicle, to an authorized dealer or to the Department for the issuance of a certificate of operation for the off-highway vehicle. **Section 14** expands the types of off-highway vehicles for which a certificate of operation is not required to include an off-highway vehicle that has an engine having a displacement of not more than 90 cubic centimeters, an off-highway vehicle that is used solely for racing on a private or closed race course or an off-highway vehicle that was manufactured before January 1, 1976.

Section 15 of this bill repeals the provisions of NRS 490.030, which define the term "Department" for purposes of chapter 490 of NRS to mean the Department Taxation. Because NRS 481.015 defines the term "Department" for purposes of title 43 of NRS to mean the Department of Motor Vehicles, the effect of the repeal of NRS 490.030 and the amendment of NRS 481.015 set forth in **section 1** of this bill is to place the authority to administer the provisions of chapter 490 of NRS under the Department of Motor Vehicles.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 481.015 is hereby amended to read as follows:
481.015 1. Except as otherwise provided in this subsection, as used in this title, unless the context otherwise requires, "certificate of title" means the document issued by the Department that identifies the legal owner of a vehicle and contains the information required pursuant to subsection 2 of NRS 482.245. The definition set forth in this subsection does not apply to chapters 488 and 489 of NRS.

2. Except as otherwise provided in chapter 480 of NRS, NRS 484.388 to 484.3888, inclusive, 486.363 to 486.377, inclusive, chapter 486A of NRS ~~[]~~ and NRS 488.480 , ~~[and chapter 490 of NRS.]~~ as used in this title, unless the context otherwise requires:

(a) "Department" means the Department of Motor Vehicles.

(b) "Director" means the Director of the Department . ~~[of Motor Vehicles.]~~

Sec. 2. Chapter 490 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to 10, inclusive, of this act.

Sec. 3. *"Committee" means the Committee on Off-Highway Vehicles created pursuant to section 9 of this act.*

Sec. 4. *"Fund" means the Fund for Off-Highway Vehicles created pursuant to section 8 of this act.*

Sec. 5. *An owner of an off-highway vehicle that is acquired on or after January 1, 2008, shall, within 30 days after acquiring*



1 *ownership of the off-highway vehicle, apply to the Department for*
2 *the issuance of a certificate of title for the off-highway vehicle.*

3 **Sec. 6. 1.** *A certificate of operation issued or renewed in*
4 *accordance with a regulation adopted pursuant to NRS 490.070:*

5 *(a) Is a class 1 certificate of operation if the owner of the off-*
6 *highway vehicle provides proof to the Department that the owner*
7 *has obtained a certificate of title from the Department for the off-*
8 *highway vehicle. The fee for a class 1 certificate of operation is*
9 *\$12.50, not including any fee charged and retained by an*
10 *authorized dealer pursuant to NRS 490.070.*

11 *(b) Is a class 2 certificate of operation if the owner of the off-*
12 *highway vehicle has not obtained a certificate of title from the*
13 *Department for the off-highway vehicle. To obtain a class 2*
14 *certificate of operation, the owner must provide proof to the*
15 *Department that the owner has obtained a certificate of*
16 *verification of the vehicle identification number from the*
17 *Department for the off-highway vehicle. The Department may*
18 *charge and collect a fee for a certificate of verification of the*
19 *vehicle identification number in an amount that is not more than*
20 *the fee charged for a certificate of title. The fee for a class 2*
21 *certificate of operation is \$12.50, not including any fee charged*
22 *and retained by an authorized dealer pursuant to NRS 490.070.*

23 *2. Except as otherwise provided in subsection 3, each*
24 *certificate of operation is valid for 2 years after the date the*
25 *certificate of operation is issued.*

26 *3. The Department shall not issue a class 2 certificate of*
27 *operation on or after January 1, 2009. A class 2 certificate of*
28 *operation that is issued before that date:*

29 *(a) May be renewed on or after that date; and*

30 *(b) If renewed, remains valid regardless of whether the owner*
31 *of the off-highway vehicle sells or otherwise transfers ownership*
32 *of the off-highway vehicle.*

33 **Sec. 7.** *In addition to any fee collected pursuant to section 6*
34 *of this act, the Department shall charge and collect a fee in the*
35 *amount of \$12.50 from each person who is issued a class 1 or*
36 *class 2 certificate of operation or whose class 1 or class 2*
37 *certificate of operation is renewed by the Department.*

38 **Sec. 8. 1.** *The Fund for Off-Highway Vehicles is hereby*
39 *created in the State Treasury as a revolving fund. The Committee*
40 *shall administer the Fund. All money received from the payment*
41 *of fees pursuant to section 7 of this act must be deposited into the*
42 *Fund.*

43 *2. Except as otherwise provided in subsection 3, the money in*
44 *the Fund must only be used by the Committee in accordance with*
45 *section 10 of this act.*



1 3. The Committee may use not more than 10 percent of the
2 money in the Fund for the reasonable administrative costs of the
3 Committee.

4 Sec. 9. 1. The Committee on Off-Highway Vehicles is
5 hereby created within the Division.

6 2. The Committee consists of:

7 (a) One voting member from the Division appointed by the
8 Administrator of the Division;

9 (b) One voting member who represents the environment; and

10 (c) Six voting members who have participated in recreational
11 activities for off-highway vehicles for at least 5 years using the
12 type of off-highway vehicle they will represent, own or operate that
13 type of off-highway vehicle and reside in this State as follows:

14 (1) Two members who represent persons who own or
15 operate all-terrain vehicles, one from northern Nevada and one
16 from southern Nevada;

17 (2) Two members who represent persons who own or
18 operate all-terrain motorcycles, one from northern Nevada and
19 one from southern Nevada;

20 (3) One member who represents persons who own or
21 operate snowmobiles; and

22 (4) One member who represents persons who own or
23 operate any other type of off-highway vehicle.

24 3. After the initial terms, each member of the Committee
25 serves for a term of 2 years. A vacancy on the Committee must be
26 filled in the same manner as the original appointment.

27 4. Not less than 30 days before the expiration of the term of a
28 member of the Committee, a person who is qualified pursuant to
29 subsection 2 to serve as a member of the Committee for that
30 membership may, in the manner specified by the Governor, submit
31 an application to the Governor for appointment to the Committee.
32 After considering each application submitted pursuant to this
33 subsection, the Governor shall appoint a member to the Committee
34 from those applications. If the Governor does not receive an
35 application for appointment to the Committee within that period,
36 the Governor may appoint to the Committee any person who is
37 qualified pursuant to subsection 2.

38 5. Except as otherwise provided in this subsection, a member
39 of the Committee may not serve more than two terms on the
40 Committee. A member who has served two terms on the Committee
41 may be reappointed if the Governor does not receive any
42 applications for that membership or if the Governor determines
43 that no qualified applicants are available for that membership.

44 6. Each member of the Committee is entitled to receive, if
45 money is available for that purpose from the fees collected



1 *pursuant to section 7 of this act, the per diem allowance and travel*
2 *expenses provided for state officers and employees generally.*

3 *7. The Committee may adopt regulations for the operation of*
4 *the Committee. Upon request by the Committee, the Division shall*
5 *provide assistance to the Committee in adopting those regulations.*

6 *8. As used in this section, "Division" means the Division of*
7 *State Parks of the State Department of Conservation and Natural*
8 *Resources.*

9 **Sec. 10. 1. The Committee shall:**

10 *(a) Elect a Chairman, Vice Chairman, Secretary and*
11 *Treasurer from among its members;*

12 *(b) Meet at the call of the Chairman;*

13 *(c) Meet at least four times each year;*

14 *(d) Select four nonvoting advisors to the Committee to serve*
15 *for terms of 2 years as follows:*

16 *(1) One advisor from the Bureau of Land Management;*

17 *(2) One advisor from the United States Forest Service;*

18 *(3) One advisor who is an authorized dealer; and*

19 *(4) One advisor from the general public;*

20 *(e) Adopt regulations setting forth the manner in which a*
21 *person may submit a request for a grant of money from the Fund;*

22 *(f) Adopt regulations for awarding grants from the Fund;*

23 *(g) Adopt regulations for determining the acceptable*
24 *performance of work on a project that is awarded a grant;*

25 *(h) Approve the completion of, and payment of money for,*
26 *work performed on a project that is awarded a grant, if the*
27 *Committee determines the work is acceptable; and*

28 *(i) Monitor the accounting activities of the Fund.*

29 **2. The Committee may award a grant of money from the**
30 **Fund for:**

31 *(a) Projects relating to studies or planning for trails and*
32 *facilities for use by owners and operators of off-highway vehicles;*

33 *(b) Projects relating to obtaining, enhancing and maintaining*
34 *those trails and facilities; or*

35 *(c) Law enforcement, restoration, safety training and*
36 *education relating to off-highway vehicles.*

37 **Sec. 11.** NRS 490.010 is hereby amended to read as follows:

38 490.010 As used in this chapter, unless the context otherwise
39 requires, the words and terms defined in NRS 490.020 to 490.060,
40 inclusive, *and sections 3 and 4 of this act* have the meanings
41 ascribed to them in those sections.

42 **Sec. 12.** NRS 490.060 is hereby amended to read as follows:

43 490.060 1. "Off-highway vehicle" means a motor vehicle
44 that is designed primarily for off-highway and all-terrain use. The
45 term includes, but is not limited to:



- (a) An all-terrain vehicle;
- (b) An all-terrain motorcycle;
- (c) A dune buggy;
- (d) A snowmobile; and
- (e) Any motor vehicle used on public lands for the purpose of recreation.

2. The term does not include:

- (a) A motor vehicle designed primarily for use in water;
- (b) A motor vehicle that is registered by the Department ; ~~of~~
~~Motor Vehicles;~~ or
- (c) A low-speed vehicle as defined in NRS 484.527.

Sec. 13. NRS 490.070 is hereby amended to read as follows:

490.070 1. Upon the request of a dealer of off-highway vehicles, the Department may authorize the dealer to ~~issue~~ *receive and submit to the Department applications for the issuance or renewal of* certificates of operation *or the issuance of certificates of title* for off-highway vehicles. ~~[pursuant to subsection 3.]~~

2. Each certificate of operation for an off-highway vehicle ~~[issued by an authorized dealer]~~ must be in the form of a sticker approved by the Department.

3. An authorized dealer shall:

(a) ~~[Upon the sale of]~~ *On or before the end of each month, submit to the Department each application for the issuance or renewal of a certificate of operation or issuance of certificate of title for* an off-highway vehicle ~~[, issue to the purchaser of the off-highway vehicle a certificate of operation for the off-highway vehicle;~~

~~—(b) Upon request, issue a certificate of operation to a person who purchased the off-highway vehicle before January 1, 2006;~~

~~—(c) Issue a certificate of operation to the owner of an off-highway vehicle that was purchased outside this State on or after January 1, 2006, if the owner:~~

~~——(1) Requests the certificate of operation; and~~

~~——(2) Pays or submits evidence satisfactory to the authorized dealer that he has paid all taxes applicable in this State to the purchase of the off-highway vehicle or submits an affidavit indicating that he purchased the vehicle through a private party sale and no tax is due relating to the purchase of the off-highway vehicle;]~~ *received during that month;*

(b) Except as otherwise provided in paragraph (c) and subsection 5, submit to the Department all fees collected by the authorized dealer from each applicant and properly account for those fees each month;

(c) Submit to the State Treasurer for deposit into the Fund all fees charged and collected pursuant to section 7 of this act;



(d) Comply with the regulations adopted pursuant to subsection 6; and

(e) Bear any cost of equipment which is required to ~~issue certificates~~ *receive and submit to the Department an application for a certificate* of operation ~~[-] or certificate of title~~, including any computer software or hardware.

4. ~~[An]~~ *Except as otherwise provided in subsection 5, an authorized dealer is not entitled to receive compensation ~~from the Department~~ for the performance of ~~those services~~ any services pursuant to this section.*

5. An authorized dealer ~~shall not charge or~~ *may charge and collect a fee of not more than \$2 for ~~issuing~~ each application for a certificate of operation ~~[-] received by the authorized dealer pursuant to this section. An authorized dealer may retain any fee collected by the authorized dealer pursuant to this subsection.~~*

6. The Department shall adopt regulations to carry out the provisions of this section. The regulations must include, without limitation, provisions for:

(a) The expedient and secure issuance of :

(1) Forms for applying for the issuance and renewal of certificates of operation or the issuance of certificates of title;

(2) Certificates of operation and certificates of title by the Department to ~~authorized dealers; and~~ each applicant whose application is approved by the Department; and

(3) Renewal notices for certificates of operation before the date of expiration of the certificates of operation;

(b) *The renewal of certificates of operation by mail;*

(c) *The collection of a fee of not more than \$25 for the renewal of a certificate of operation;*

(d) *The submission in person at the Department of an application for:*

(1) The issuance of a certificate of operation, certificate of title or certificate of verification of a vehicle identification number for an off-highway vehicle; or

(2) The renewal of a certificate of operation for an off-highway vehicle;

(e) *The replacement of a lost or damaged certificate of operation or certificate of title;*

(f) *The imposition of an administrative fine in the amount of \$25 for each failure by an owner of an off-highway vehicle to obtain, within 30 days after acquiring ownership of the off-highway vehicle:*

(1) A certificate of operation for the off-highway vehicle; and



(2) A certificate of title or certificate of verification of the vehicle identification number for the off-highway vehicle;

(g) Except as otherwise provided in paragraph (f), the imposition of an administrative fine in the amount of \$100 for each failure by an owner of an off-highway vehicle to obtain, within 1 year after acquiring ownership of the off-highway vehicle;

(1) A certificate of operation for the off-highway vehicle; and

(2) A certificate of title or certificate of verification of the vehicle identification number for the off-highway vehicle;

(h) The imposition of an administrative fine in the amount \$25 for each failure by an owner of an off-highway vehicle to renew the certificate of operation for the off-highway vehicle within 30 days after the date of expiration of the certificate of operation; and

(i) The revocation of the authorization granted to a dealer pursuant to subsection 1 if the authorized dealer fails to comply with the regulations.

7. The fee for issuing a certificate of title for an off-highway vehicle must not exceed the fee imposed for issuing a certificate of title pursuant to NRS 482.429.

8. The Department shall afford an opportunity for a hearing pursuant to NRS 233B.121 to any person who is fined pursuant to a regulation adopted pursuant to paragraph (f), (g) or (h) of subsection 6.

Sec. 14. NRS 490.080 is hereby amended to read as follows:

490.080 1. Except as otherwise provided in subsection ~~[4.] 3~~, a person shall not operate an off-highway vehicle ~~[on a highway pursuant to NRS 490.090 to 490.130, inclusive.] in this State~~ unless he has:

(a) Obtained a certificate of operation for the off-highway vehicle; and

(b) Attached the certificate to the off-highway vehicle in the manner specified by the Department.

2. ~~[If a certificate of operation for]~~ Except as otherwise provided in subsection 3, each owner of an off-highway vehicle ~~[is lost or destroyed, the owner]~~ shall, within 30 days after he acquires ownership of the off-highway vehicle ~~[may request a new]~~, apply to an authorized dealer or in person at the Department for the issuance of a certificate of operation ~~[from an authorized dealer.~~

~~—3.— If the owner of an off-highway vehicle sells or otherwise transfers ownership of] for the off-highway vehicle . [the certificate of operation remains valid.~~

~~—4.] 3.~~ A certificate of operation is not required for an off-highway vehicle which:



(a) Is owned and operated by:

(1) A federal agency;

(2) An agency of this State; or

(3) A county, incorporated city or unincorporated town in this State;

(b) *Has an engine having a displacement of not more than 90 cubic centimeters;*

(c) *Is used solely for racing on a private or closed race course for off-highway vehicles;*

(d) Is part of the inventory of a dealer of off-highway vehicles;

~~(e)~~ (e) *Was manufactured before January 1, 1976;*

(f) Is registered or certified in another state and is located in this State for not more than 90 days;

~~(f)~~ (g) Is used solely for husbandry on private land or on public land that is leased to the owner or operator of the off-highway vehicle; or

~~(e)~~ (h) Is used for work conducted by or at the direction of a public or private utility.

4. Except as otherwise provided in NRS 490.070, if a person violates a provision of this section, the Department shall impose against the person an administrative fine of not more than \$250. The Department shall afford to any person so fined an opportunity for a hearing pursuant to NRS 233B.121.

Sec. 15. NRS 490.030 is hereby repealed.

Sec. 16. 1. Any dealer of off-highway vehicles who is an authorized dealer pursuant to NRS 490.070 before January 1, 2008, shall be deemed to be an authorized dealer by the Department of Motor Vehicles pursuant to that section, as amended by this act.

2. Any certificate of operation issued for an off-highway vehicle by the Department of Taxation before January 1, 2008, shall be deemed to be a class 2 certificate of operation issued for an off-highway vehicle by the Department of Motor Vehicles for the purposes of paragraph (b) of subsection 1 of section 6 of this act.

3. The regulations adopted by the Department of Taxation pursuant to NRS 490.070 become the regulations of the Department of Motor Vehicles on January 1, 2008, and, to the extent that the regulations are consistent with the amendatory provisions of this act, remain in effect until amended or repealed by the Department of Motor Vehicles.

Sec. 17. 1. As soon as practicable after the effective date of this section, the Governor shall solicit applications for the appointment of the members of the Committee on Off-Highway Vehicles created pursuant to section 9 of this act.

2. As soon as practicable after July 1, 2007, the Governor shall, after considering each application received pursuant to subsection 1,



* S B 4 3 4 *

1 appoint the members of the Committee on Off-Highway Vehicles
2 who are qualified pursuant to paragraphs (b) and (c) of subsection 2
3 of section 9 of this act to initial terms as follows:

4 (a) Three members to terms that expire on January 1, 2009; and

5 (b) Four members to terms that expire on January 1, 2010.

6 3. As soon as practicable after July 1, 2007, the Administrator
7 of the Division of State Parks of the State Department of
8 Conservation and Natural Resources shall appoint the member of
9 the Committee on Off-Highway Vehicles specified in paragraph (a)
10 of subsection 2 of section 9 of this act to an initial term that expires
11 on January 1, 2009.

12 **Sec. 18.** This act becomes effective:

13 1. Upon passage and approval for purposes of:

14 (a) The appointment by the Governor and the Administrator of
15 the Division of State Parks of the State Department of Conservation
16 and Natural Resources of the members of the Committee on Off-
17 Highway Vehicles created pursuant to section 9 of this act; and

18 (b) The adoption of regulations to carry out the provisions of
19 this act; and

20 2. On January 1, 2008, for all other purposes.

TEXT OF REPEALED SECTION

490.030 “Department” defined. “Department” means the Department of Taxation.

