

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 86*
Committee Substitute Favorable 4/22/09

Short Title: ATV & Motorcycles Off-Road Fund.

(Public)

Sponsors:

Referred to:

February 9, 2009

A BILL TO BE ENTITLED

AN ACT TO REQUIRE ALL-TERRAIN VEHICLES AND MOTORCYCLES MEETING CERTAIN CRITERIA TO BE REGISTERED WITH THE DIVISION OF MOTOR VEHICLES, TO CHARGE A REGISTRATION FEE FOR ALL-TERRAIN VEHICLES OR MOTORCYCLES REGISTERED FOR OFF-ROAD USE, TO CREATE A SPECIAL REVENUE FUND IN THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES DESIGNATED AS THE ALL-TERRAIN VEHICLE AND MOTORCYCLE OFF-ROAD FUND TO BE USED FOR ACQUISITION, CONSTRUCTION, MAINTENANCE, AND OPERATION OF ALL-TERRAIN VEHICLE AND MOTORCYCLE RECREATION TRAILS AND TO PROVIDE SAFETY TRAINING FOR OPERATORS OF ALL-TERRAIN VEHICLES AND MOTORCYCLES REGISTERED FOR OFF-ROAD USE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-50 is amended by adding a new subsection to read:

"§ 20-50. Owner to secure registration and certificate of title; temporary registration markers.

(a) A vehicle intended to be operated upon any highway of this State must be registered with the Division in accordance with G.S. 20-52, and the owner of the vehicle must comply with G.S. 20-52 before operating the vehicle. A vehicle that is leased to an individual who is a resident of this State is a vehicle intended to be operated upon a highway of this State.

The Commissioner of Motor Vehicles or the Commissioner's duly authorized agent is empowered to grant a special one-way trip permit to move a vehicle without license upon good cause being shown. When the owner of a vehicle leases the vehicle to a carrier of passengers or property and the vehicle is actually used by the carrier in the operation of its business, the license plates may be obtained by the lessee, upon written consent of the owner, after the certificate of title has been obtained by the owner. When the owner of a vehicle leases the vehicle to a farmer and the vehicle is actually used by the farmer in the operation of a farm, the license plates may be obtained by the farmer at the applicable farmer rate, upon written consent of the owner, after the certificate of title has been obtained by the owner. The lessee shall make application on an appropriate form furnished by the Division and file such evidence of the lease as the Division may require.

(a1) Except for vehicles exempted from registration under G.S. 20-51 or used primarily for agricultural purposes or by law enforcement, fire, rescue, and emergency medical service personnel in the performance of their duties, an all-terrain vehicle or motorcycle that meets all of the following criteria shall be registered with the Division pursuant to G.S. 20-63.2:

(1) The all-terrain vehicle or motorcycle is not otherwise required to be registered.



1 (2) The all-terrain vehicle or motorcycle was manufactured in the year 2005 or
2 later.

3 (3) The all-terrain vehicle or motorcycle is intended for off-road operation.

4 (b) The Division may issue a temporary license plate for a vehicle. A temporary license
5 plate is valid for the period set by the Division. The period may not be less than 10 days nor
6 more than 60 days.

7 A person may obtain a temporary license plate for a vehicle by filing an application with
8 the Division and paying the required fee. An application must be filed on a form provided by
9 the Division.

10 The fee for a temporary license plate that is valid for 10 days is five dollars (\$5.00). The fee
11 for a temporary license plate that is valid for more than 10 days is the amount that would be
12 required with an application for a license plate for the vehicle. If a person obtains for a vehicle
13 a temporary license plate that is valid for more than 10 days and files an application for a
14 license plate for that vehicle before the temporary license plate expires, the person is not
15 required to pay the fee that would otherwise be required for the license plate.

16 A temporary license plate is subject to the following limitations and conditions:

17 (1) It may be issued only upon proper proof that the applicant has met the
18 applicable financial responsibility requirements.

19 (2) It expires on midnight of the day set for expiration.

20 (3) It may be used only on the vehicle for which issued and may not be
21 transferred, loaned, or assigned to another.

22 (4) If it is lost or stolen, the person who applied for it must notify the Division.

23 (5) It may not be issued by a dealer.

24 (6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 that apply to license
25 plates apply to temporary license plates insofar as possible."

26 **SECTION 2.** Chapter 20 of the General Statutes is amended by adding a new
27 section to read:

28 "§ 20-63.2. Registration of all-terrain vehicles and motorcycles for off-road use.

29 (a) An all-terrain vehicle or motorcycle registered for off-road use only shall be
30 registered in the same manner as any other vehicle registered pursuant to this Chapter.

31 (b) An all-terrain vehicle or motorcycle registered for off-road use shall have a Product
32 Identification Number, or Vehicle Identification Number, which shall be supplied at the time of
33 registration.

34 (c) An all-terrain vehicle or motorcycle registered for off-road use shall have a
35 manufacturers certificate of origin or title to be registered. An inspection and indemnity bond is
36 required if a manufacturers certificate of origin or title is not available.

37 (d) An all-terrain vehicle or motorcycle registered for off-road use only shall be issued
38 a registration plate that is different in color or design so that law enforcement officers can
39 easily recognize the registration plate and the fact the vehicle upon which the plate is affixed is
40 to be operated off the roads, streets, and highways of this State. Any all-terrain vehicle or
41 motorcycle registered for off-road use shall be subject to the title and registration fees provided
42 in G.S. 20-85 and G.S. 20-87.

43 (e) There is no requirement that a vehicle registered for off-road use have insurance on
44 the vehicle or that the owner provide proof of financial responsibility prior to the vehicle being
45 registered.

46 (f) The Division shall collect any sales and use tax, and any other tax the Division is
47 required to collect pursuant to Chapter 105 of the General Statutes, on an all-terrain vehicle or
48 motorcycle being registered for off-road use. If the applicant paid the sales and use tax to a
49 dealer in North Carolina, proof of payment to a dealer will be acceptable proof to register the
50 vehicle. If the off-road vehicle was purchased outside of North Carolina, the Division shall
51 collect the applicable sales and use tax and submit it to the Department of Revenue."

1 **SECTION 3.** G.S. 20-87 is amended by adding a new subdivision to read:

2 "**§ 20-87. Passenger vehicle registration fees.**

3 These fees shall be paid to the Division annually for the registration and licensing of
4 passenger vehicles, according to the following classifications and schedules:

5 ...

6 (13) Off-Road All-Terrain Vehicles and Motorcycles. – The base fee on an
7 all-terrain vehicle or motorcycle registered for off-road use shall be fifteen
8 dollars (\$15.00) except that when an all-terrain vehicle or motorcycle is
9 equipped with an additional device designed to transport persons or
10 property, the base fee shall be twenty-two dollars (\$22.00). A fee of ten
11 dollars (\$10.00) is imposed on each all-terrain vehicle and motorcycle
12 registered under this subdivision in addition to the base fee. The revenue
13 from the additional fee, in addition to any other funds appropriated for this
14 purpose, shall be used to fund the All-Terrain Vehicle and Motorcycle
15 Off-Road Fund created in G.S. 113A-96."

16 **SECTION 4.** Chapter 113A of the General Statutes is amended by adding a new
17 section to read:

18 "**§ 113A-96. All-Terrain Vehicle and Motorcycle Off-Road Fund.**

19 (a) Fund Created. – There is established an All-Terrain Vehicle and Motorcycle
20 Off-Road Fund in the Department of Environment and Natural Resources. The Fund shall be a
21 special revenue fund consisting of all monies from State and private sources. All monies from
22 State and private sources dedicated to all-terrain vehicle and motorcycle recreation trails shall
23 be credited to the Fund.

24 (b) Use. – Unless otherwise specified by the General Assembly, or the terms and
25 conditions of a gift or grant, funds in the All-Terrain Vehicle and Motorcycle Off-Road Fund
26 shall be allocated and used as follows:

27 (1) At least seventy-seven percent (77%) shall be used for acquisition,
28 construction, maintenance, and operation of all-terrain vehicle and
29 motorcycle recreation trails and to provide law enforcement on the
30 recreation trails.

31 (2) Up to twenty percent (20%) shall be used for safety training for operators of
32 all-terrain vehicles and motorcycles registered for off-road use.

33 (3) Up to three percent (3%) shall be used for administration of the All-Terrain
34 Vehicle and Motorcycle Off-Road Fund."

35 **SECTION 5.** Chapter 143B-333 is amended by adding a new subdivision to read:

36 "**§ 143B-333. North Carolina Trails Committee – creation; powers and duties.**

37 There is hereby created the North Carolina Trails Committee of the Department of
38 Environment and Natural Resources. The Committee shall have the following functions and
39 duties:

40 (1) To meet not less than two times annually to advise the Department on all
41 matters directly or indirectly pertaining to trails, their use, extent, location,
42 and the other objectives and purposes of G.S. 113A-88.

43 (2) To coordinate trail development among local governments, and to assist
44 local governments in the formation of their trail plans and advise the
45 Department of its findings.

46 (3) To advise the Secretary of trail needs and potentials pursuant to
47 G.S. 113A-88.

48 (4) To recommend to the Secretary expenditures from the All-Terrain Vehicle
49 and Motorcycle Off-Road Fund in the form of grants to federal, State, and
50 local governments, and to qualified nonprofit organizations, for the
51 acquisition, construction, maintenance, and operation of all-terrain vehicle

1 and motorcycle off-road recreation trails, to provide law enforcement for the
2 trails, and for safety training for the operators of all-terrain vehicles and
3 motorcycles registered for off-road use. Grants shall be recommended based
4 on criteria including environmental protection, public safety, and
5 consistency with other land management plans and purposes."

6 **SECTION 6.** G.S. 113A-88 is amended by adding a new subsection to read:

7 **"§ 113A-88. North Carolina Trails Committee; composition; meetings and functions.**

8 (a) Repealed by Session Laws 1973, c. 1262, s. 82.

9 (b) The Committee shall meet in various sections of the State not less than two times
10 annually to advise the Department on all matters directly or indirectly pertaining to trails, their
11 use, extent, location, and the other objectives and purposes of this Article.

12 (c) The Committee shall coordinate trail development among local governments, and
13 shall assist local governments in the formation of their trail plans and advise the Department
14 quarterly of its findings.

15 (d) The Secretary, with advice of the Committee, shall study trail needs and potentials,
16 and make additions to the State Trails System as needed. He shall submit an annual report to
17 the Governor and General Assembly on trail activities by the Department, including
18 rights-of-way that have been established and on the program for implementing this Article.
19 Each report shall include a short statement on the significance of the various trails to the
20 System. The Secretary shall make such rules as to trail development, management, and use that
21 are necessary for the proper implementation of this Article.

22 (e) The Secretary, upon the recommendation of the Committee, shall award grants from
23 the All-Terrain Vehicle and Motorcycle Off-Road Fund to federal, State, and local
24 governments, and to qualified nonprofit organizations, for acquisition, construction,
25 maintenance, and operation of all-terrain vehicle and motorcycle off-road recreation trails, to
26 provide law enforcement for the trails, and for safety training for the operators of all-terrain
27 vehicles and motorcycles registered for off-road use."

28 **SECTION 7.** This act becomes effective July 1, 2010.