



KENNY C. GUINN
Governor

BARBARA SMITH CAMPBELL
Chair, Nevada Tax Commission

CHARLES E. CHINNOCK
Executive Director

STATE OF NEVADA DEPARTMENT OF TAXATION

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PUBLIC NOTICE

TO: To All Interested Parties
FROM: Dino DiCianno, Deputy Executive Director - Compliance 
DATE: September 20, 2005
RE: Workshop on Proposed Tax Regulations

We will hold an additional meeting to receive input on proposed language changes to the Nevada Administrative Code concerning Senate Bill (SB) 400 at the following locations:

Carson City – Friday, October 7, 2005

Nevada Legislative Building
401 S. Carson Street, Room 3137
Carson City, Nevada

Las Vegas – Via Video Conference

Legislative Counsel Bureau
Grant Sawyer State Office Building
555 E. Washington Ave, Room 4412
Las Vegas, Nevada

The meeting will start at 9:00 a.m. All interested parties will have the opportunity to present their ideas for suggested language at this meeting. Drafts will be prepared using this input and will be circulated to all parties, prior to submission to the Legislative Counsel Bureau, and prior to the public hearing(s) before the Nevada Tax Commission. It is our intention to develop a consensus of the parties and take those versions to the Nevada Tax Commission for final adoption.

A proposed draft of the regulation when completed will be made available on our web-site for your informational review. Proposed amendments to the administrative code will be discussed at the above scheduled meeting. We encourage you to provide us with your suggestions in writing.

If you require any additional information concerning this matter, please don't hesitate to contact the Department of Taxation. Thank you.

EXHIBIT H - LANDS
Document consists of 26 pages.
Entire Exhibit Provided
Meeting Date: 10-05-05

DINO DICIANNO

From: Gary Clinard [garyclinard@yahoo.com]
Sent: Wednesday, September 14, 2005 12:29 PM
To: DINO DICIANNO
Subject: SB400 Implementation notes (attachment a WORD document)



Dino.doc (33 KB)

To: Dino Dicianno
From: Gary Clinard
Date: September 14, 2005

Subject: SB400 Implementation Draft

SB400 in the form signed by the governor is quite different than originally intended regarding registration and documentation of Off Highway Vehicles. Since the signed bill does not setup an OHV registration program, there is no point in trying to make one out of it. Section 7 and subsections 2 and 3 of Section 8 of the act pertains to the Department of Taxation and its role in issuing the "Certificates of Operation" (COO) to the OHV dealers.

Having been present at the public and private meetings in Carson City when SB400 morphed into its current form, I hope to shed some insight into the "intent" of the current bill. During the "morphing" process there appeared to be four primary themes:

1. Give the dealers relief from out-of-state purchases that illegally avoid sales tax. Dealers believe registration would cure this problem.
2. Give the owners an incentive rather than a penalty to comply with the sales tax collection via expanded access rights to county roads, highways and towns.
3. Look to the future rather than the past regarding sales tax compliance and ignore the calls for retribution for past transgressions. Let time do its work.
4. Avoid any fiscal impacts that would trigger a veto. The Department of Taxation stepped forward on this issue. As an aside, a representative from the Department of Taxation stated in a meeting that COOs could be obtained from Department offices as well as dealers, but this is not written into the bill.

As to the COO, these points are clear:

1. It is a "Sticker". There are no size, design, color or legibility requirements.
2. It is attached to the vehicle both physically and mentally and not the owner of the vehicle.
3. For purchases after January 1, 2006, it proves compliance with Nevada Sales Tax law.
4. Prior to January 1, 2006, it is unclear what it proves.
5. If a COO is lost or damaged, it can be replaced.
6. If the vehicle is sold, the certificate remains valid. This provision could use some interpretation.
7. The issuance shall be expedient and secure.

The way the law is written OHV dealers are given

authorization to perform the COO issuance function for free as if it were a privilege. Failure to comply with the regulations can cost them their COO authorization. It therefore follows that a dealer without COO authorization must be placed at a disadvantage compared to one with the authorization. I would speculate that the downside of not being able to issue COOs would be punish their customers by making them go to another dealer for the sticker.

Since COOs are "free", there can be no crime in not paying for them. If a dealer issues a COO but fails to collect sales tax, the Department would know what to do. Refusing to issue or improperly issuing COOs to grandfathered OHVs would appear to be the major violations of the authorization.

Several groups (primarily snowmobilers and dealers) want the program to include registration attributes, such as expiring COOs and databases to search for lost or stolen vehicles. While this is clearly desirable, it is not mandated in the bill.

I propose the following plan to comply with the letter and intent of SB400.

1. Design a Sticker that is about 2.5" high by 4" wide predominated by a six character (2 letters, 4 numbers) COO control number made from license plate sticker material. In addition, a printed record of the COO issuance should be provided to the owner for the re-issue feature of the bill.

2. Create a database for storing minimum COO information:

Transaction type: (New issue, Lost sticker re-issue, Re-sell OHV, Inactivate due to scraping vehicle)
Documentation Provided (Title, MCO, Dealer Bill of Sale)
Issuing dealer ID (could be the sales tax ID)
Date of issue
Type of Vehicle: Snowmobile, Motorcycle, ATV, Dune Buggy, Other (per Section 6 of Bill)
Sales Tax Status: Paid in Nevada, Paid in other State, Casual Sale Exempt, Not paid
Make
Model
Year
Vehicle VIN
COO ID
Optional Initial Owner Name
Optional Initial Owner Address

When issuing a COO the major check should be verifying that the VIN has not been duplicated. Someone with several questionable OHVs would typically pick a known good VIN and attempt to get several COOs using this number or by using a scrapped vehicle's VIN. An owner obtaining an COO would not know that there is really no check for a reported stolen OHV.

In order to satisfy some groups wishing more information for lost vehicle recovery and information dissemination, this database should be made available to qualified groups, such as registered snowmobile and ATV associations or clubs that can provide a voluntary user registry.

3. In order to comply with the grandfather clause, dealer responsibility and the intent of rewarding good behavior, only the following documents could be used to obtain a COO for purchases prior to January 1, 2006:

Valid Nevada Title with VIN
Manufacturers Certificate of Origin VIN
Dealer Bill of Sale with VIN

Other documents, such as private party bills of sale would not be acceptable. The bill states that "Upon request, issue a Certificate of Operation to a person who purchased the off-highway vehicle before January 1, 2006." I believe that there should be conclusive proof of "purchase" tied to the request. Although some may argue about it, I don't think lax record keeping or questionable vehicle procurement should be rewarded.

4. When a used OHV is re-sold by an authorized dealer collecting sales (use?) tax, a new COO should be issued to the vehicle using the re-sale transaction.

5. If a COO is lost or damaged, the replacement must require presentation of the printed record of the original COO issue per #1 above.

6. Issuing COOs to OHVs without proper documentation would satisfy the dealer violation revocation requirement of the bill,

These are my thoughts on the program. Please call or e-mail me if you have any questions, comments or want me to expand on any item, or if I have missed something important. Let me know when the next workshop is scheduled.

Gary Clinard
garyclinard@yahoo.com
(702) 270-3750

To: Dino Dicianno
From: Gary Clinard
Date: September 14, 2005

Subject: SB400 Implementation Draft

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Documentation Provided (Title, MCO, Dealer Bill of Sale)

Issuing dealer ID (could be the sales tax ID)

Date of issue

Type of Vehicle: Snowmobile, Motorcycle, ATV, Dune Buggy, Other (per Section 6 of Bill)

Sales Tax Status: Paid in Nevada, Paid in other State, Casual Sale Exempt, Not paid

Make

Model

Year

Vehicle VIN

COO ID

Optional Initial Owner Name

Optional Initial Owner Address

When issuing a COO the major check should be verifying that the VIN has not been duplicated. Someone with several questionable OHVs would typically pick a known good VIN and attempt to get several COOs using this number or by using a scrapped vehicle's VIN. An owner obtaining an COO would not know that there is really no check for a reported stolen OHV.

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Gary Clinard
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Phone: (702) 486-2300

Fax: (702) 486-3377

PUBLIC NOTICE

TO: To All Interested Parties
FROM: Dino DiCianno, Deputy Executive Director - Compliance 
DATE: August 22, 2005
RE: Workshop on Proposed Tax Regulations

We will hold an initial meeting to receive input on proposed language changes to the Nevada Administrative Code concerning Senate Bill (SB) 400 at the following locations:

Carson City – Thursday, September 8, 2005

**Nevada Legislative Building
401 S. Carson Street, Room 2134
Carson City, Nevada**

Las Vegas – Via Video Conference

**Legislative Counsel Bureau
Grant Sawyer State Office Building
555 E. Washington Ave, Room 4412
Las Vegas, Nevada**

The meeting will start at 9:00 a.m. All interested parties will have the opportunity to present their ideas for suggested language at this meeting. Drafts will be prepared using this input and will be circulated to all parties, prior to submission to the Legislative Counsel Bureau, and prior to the public hearing(s) before the Nevada Tax Commission. It is our intention to develop a consensus of the parties and take those versions to the Nevada Tax Commission for final adoption.

A proposed draft of the regulation when completed will be made available on our web-site for your informational review. Proposed amendments to the administrative code will be discussed at the above scheduled meeting. We encourage you to provide us with your suggestions in writing.

If you require any additional information concerning this matter, please don't hesitate to contact the Department of Taxation. Thank you.

WORKSHOP ON PROPOSED REGULATIONS
September 8, 2005

[illegible]

$$T_{\text{eff}} = \frac{1}{\frac{1}{T_1} + \frac{1}{T_2} + \frac{1}{T_3} + \frac{1}{T_4} + \frac{1}{T_5} + \frac{1}{T_6} + \frac{1}{T_7} + \frac{1}{T_8} + \frac{1}{T_9} + \frac{1}{T_{10}}}$$
[illegible]

DINO DICIANNO

From: Erin Fierro [efierro@tax.state.nv.us]
Sent: Tuesday, September 06, 2005 7:54 AM
To: DINO DICIANNO
Cc: Greg Zunino; Dena James
Subject: FW: Comments on SB400 - Workshop on Thur, Sept 8th



SB400 Workshop#1
Input.pdf (47...

FYI

-----Original Message-----

From: Wayne Fischer [mailto:Wayne@TahoeSnowmobiling.org]
Sent: Sunday, September 04, 2005 11:54 AM
To: ERIN FIERRO
Subject: Comments on SB400 - Workshop on Thur, Sept 8th

Dear Erin,

Please print out the attached pdf file and have the letter read into the record on the SB400 Workshop, being held this Thursday, September 8th at 9:00 am.

Note that I have also faxed you the same letter, just in case, either one does not get through. One of the faxed pages has my signature on it, if this is important.

If you have any questions, please feel free to contact me.

Regards,
Wayne Fischer, President
North Tahoe Snow Travelers
Wayne@TahoeSnowmobiling.org
www.TahoeSnowmobiling.org
775-720-2934
PO Box 9268
Incline Village, NV 89452-9268

Via Fax at 775-684-2020

And via email to "Erin Fierro" <efierro@tax.state.nv.us>

September 4, 2005

North Tahoe Snow Travelers

PO Box 9268

Incline Village, NV 89452-9268

Wayne@TahoeSnowmobiling.org

www.TahoeSnowmobiling.org

775-720-2934

Dino DiCianno

Deputy Executive Director

1550 E College Pkwy

Carson City, NV 89706

Subject: Comments on the SB400 (OHV Sticker Program) Implementation

Dear Dino,

Please read this letter into the record during the September 8th SB400 Workshop.

I have a prior commitment that I am unable to change, therefore can't attend this workshop. I would like to attend future workshops, should they be scheduled.

I am president of our Snowmobile Club, covering the North Tahoe, Reno and Truckee areas. I am also the web master of our Lake Tahoe Snowmobiling website. I attended several of the legislature hearings on SB400, and therefore I am aware of SB400's history. I was very disappointed that it got watered down, but at the same time I am pleased that at least we got something through the 2005 Nevada Legislature, including a signature by the governor.

I have two comments with respect to the implementation of SB400 by the Nevada Tax Commission.

#1: Design of the OHV Sticker

The sticker should be similar to what is used in California, Idaho and other western states. The size could be in the range from 3 x 3 inches, to 3 x 4 inches. The most important aspect of the sticker is to make the registration number as large as possible, like Idaho's and not like California's, which can be read from a 3 to 5 foot distance. See photos #1 and #2 on next page.

There should also be a specific set of stickers for OSV (Over the Snow Vehicles - snowmobiles). These stickers should expire in the July 1st to September 30th time frame.

#2: A Computer Data Base of All Registered OHVs

The second most important item is to record all OHV stickers into some kind of a computer data base. The fastest and easiest way to do this is for each dealer that registers OHV stickers is to enter (via the internet) each OHV stickered into a single computer. The biggest challenge will be security of the data base and who has access to this data base.

This information will be useful in future legislature sessions for determining how many OHV are actually owned and operated in the state of Nevada. Also, should an OHV be stolen, it will be easier to track back the original owner.

Note that I spent my total working life in the computer industry and I am still very current on usage of computers, the internet and many of the software applications. I would therefore be willing to serve on a sub-committee for determining what would work best and be most cost effective at the same time.

Please feel free to contact me if you have any questions.

Sincerely,

Wayne Fischer, President
North Tahoe Snow Travelers



Photo #1: Idaho's OSV Sticker, 3.0 x 3.0 inches,
note much large registration number



Photo #2: California's OSV Sticker, 4.0 x 2.5 inches,
note very small registration number

To: Dino DiCianno
Deputy Executive Director
1550 East College Parkway
Carson City, NV 89706

September 7, 2005.

From: Greg McKay
Central Sierra Representative
California-Nevada Snowmobile Association
P.O. Box 4720
Incline Village, NV 89450

Subject: Comments on SB400 Implementation

I would like to make a few suggestions about implementing SB 400 in Nevada and respectfully request to have these comments entered into the record. While the bill went thru significant rewriting in the legislative process, it is a good start to get a handle on the off-road vehicle situation in Nevada.

First of all the stickers do not have to be that large(3"X3" or 3"X4") but you should have a fairly large identification number on it that is easy to read. Idaho has a great example to duplicate.

Secondly, use this opportunity to develop a good database of owner information. This will assist in many areas such as name, address, phone number, etc. This will aid in identifying the proper owner identification and could allow certain educational benefits to be realized by Nevada OHV users.

I was impressed by the people involved in the OHV community, our Legislators, and eventually our Governor for realizing the positive step SB 400 meant for our State in dealing with issues of off-road vehicles. I would be happy to stay involved in implementing this process if the opportunities present themselves.

Sincerely,

Greg McKay

DINO DICIANNO

From: Erin Fierro [efierro@tax.state.nv.us]
Sent: Thursday, September 08, 2005 7:36 AM
To: DINO DICIANNO
Cc: csaws@pointers.reno.nv.us
Subject: FW: SB 400 implementation

FYI - Today's workshop meeting.

Thanks,
Erin

From: Gail Ferrell [mailto:csaws@pointers.reno.nv.us]
Sent: Thursday, September 08, 2005 7:22 AM
To: ERIN FIERRO
Cc: Gail Ferrell
Subject: SB 400 implementation

September 8, 2005

Nevada Department of Taxation
Deputy Executive Director
Mr. Dino DiCianno
1550 E. College Parkway
Carson City, NV 89706

Dear Mr. DiCianno:

Thank you for accepting our email, and thank you to Ms. Fierro for delivering it. We directly participated in legislative proceedings concerning SB400 but we only learned of this morning's meeting three days ago. We would have much preferred to personally present this information, but this letter is the best we can immediately offer. Thank you very much indeed for accepting this email as our contribution to the hearing today. If your Department maintains a contact list of stakeholders interested in this matter, please add us to it.

Gail Ferrell
Snowlands Network
gail@snowlands.org
P.O.Box 18554
Reno.NV 89511

Our members have a collective interest in policies that promote responsible operation of motor vehicles throughout Nevada.

The purpose of this writing is to offer information and ideas to help the Department of Taxation formulate the regulations and procedures which will implement the new requirements of SB400.

We, Snowlands Network, submit the following suggestions to contribute to the Department of Taxation's implementation of an off-road vehicle registration system in Nevada as required in SB400.

To protect the interests of all citizens, Nevada needs to:

- *Maximize law compliance/remittance of applicable Nevada taxes
- *Provide for ORV operator accountability

SB400 authorizes the Nevada Department of Taxation to provide for both these needs, but requires the Department to fill in the details.

The central goal of SB 400 appears to be, after this year, to assure remittance of Nevada tax on ORVs which are purchased for use in our state.

This goal is potentially confounded by provisions of SB400 that require issuance, "upon demand," of "stickers" for ORVs already in Nevada. Mandatory free availability of stickers and sticker replacements for the unknown number of ORVs now in Nevada means that generic, state-symbol stickers will be freely transferable - *unless they are matched to each vehicle*. Transferable stickers, unfortunately, make an unreliable indicator of, and ineffective incentive for, tax compliance. Transferable ORV stickers thus will not fulfill the principal task of the Nevada Department of Taxation.

In order to comply with SB400 instructions to establish a "secure" system for tracking tax compliance, the Nevada Department of Taxation must offer no less than a decal bearing a unique, vehicle-specific identification code.

A sticker - presumably an adhesive decal - offers a marker which can easily and inexpensively be customized. Instead of issuing a pocketable colored 'cigar ring' as a (wholly unreliable) warrant of tax compliance, the Department could just as easily offer a no-cost vehicle-specific ID tag (for each machine, old and new) bearing a unique alpha-numeric tag no less visible than a motorcycle license plate.

Adopting such a requirement would cost Nevada nothing, but would yield one huge instant free benefit to all drivers and everyone else across public and private lands in our state: ORV operator accountability.

The Department is empowered, at no cost, to modernize our state! Please fulfill this opportunity: ORV tags increase voluntary rule compliance by making ORV operators accountable. Vehicle-specific ID stickers will maximize tax compliance AS WELL AS operator accountability.

SB400 requires the Department of Taxation to manage a secure system. Such a system demands vehicle-specific identifiers. Unquestionably, the cost of this secure system is to be borne by ORV dealers, and the more secure, the better for all concerned.

Considering the above, the simplest, most secure method for the Nevada Department of Taxation to conform with requirements of SB400 is to:

Sponsor issuance of vehicle-specific ID tags which enable the identification of moving ORVs: assign prominent ID tags to each ORV in Nevada and insure that one and only one sticker is permanently linked to each ORV for which tax-compliance has been conclusively demonstrated.

Additional suggestions to improve security and reliability of a sticker system:

- **Characters on ID tags should be the size that appear on motorcycle license plates for identification from a distance of a moving vehicle.**
- **A sticker applicant should offer evidence of ORV ownership to obtain sticker.**
- **The sticker should be property of the State of Nevada and should only be affixed by an authorized dealer to the craft for which the sticker is issued.**
- **Every sticker affixed to an ORV should be separately accounted for.**
- **The property of Nevada sticker must be kept free of debris or occlusion and must be maintained in a readily visible condition at all times.**

In order to effectively implement SB400, a complication should also be addressed that arises from the fact that the vehicle class subject to Department regulation is uncertain.

SB400 originally defined 'off-Road vehicle' as: "a motor vehicle that is designed primarily for off-Highway AND all-terrain use." [caps added]. The second reprint of SB400, signed by Governor Guinn, eliminates reference to 'off-road vehicle', instantly confounding the definition. SB400, Sec. 6, ss 1 now offers, at best, duplicity: "'Off-highway vehicle' means a motor vehicle that is designed primarily for off-highway AND all-terrain use." [emphasis added]

A large fraction of ordinary highway-legal vehicles now conform with Nevada's duplicitous new OHV definition. Prescriptions for the currently unregulated class of off-road motor vehicles - such as ATVs and snowmobiles - need to be clearly specified. The Department should anticipate the eventuality that future Nevada law will retool the definition to be both specific and consistent. On this account, at least, the Department will benefit from advance, specific inquiry as to legislative intent.

Multiplying the 'OHV' confusion are provisions in SB400 that allow ON-highway use of so-called 'OFF-highway vehicles'. This prevarication makes it particularly important for the Department of Taxation to know exactly which vehicles it is intended to oversee - SUVs or ATVs, OSVs (over snow vehicles) or any 4-wheel drive truck.

Besides Nevada, the Canadian state of British Columbia is among the last jurisdictions in North America which does not require sales tracking (registration) or licensing (plain identification) of motor craft specialized for all-terrain use - motor craft commonly referred to as off-road vehicles or ORVs. The effort currently underway in BC Canada is a collaborative drive to adopt ground rules for state oversight of ORV sales and use. We offer this web link because it contains excellent, very recent information which is directly analogous to the task before you, and we hope your product may benefit thereby. The website offers a systematic examination of the benefits of ORV registration and licensure as well as an examination of stratagems for first-time implementation of such a program.

<http://orvcoalitionbc.org/PreliminaryOptionsReport.18July05.pdf>

Thank you for considering our thoughts and concerns.

Sincerely,

Gail Ferrell

Snowlands Network
gail@snowlands.org
P.O.Box 18554
Reno.NV 89511

DINO DICIANNO

From: Chuck Chinnock [chinnock@tax.state.nv.us]
Sent: Tuesday, June 28, 2005 8:00 AM
To: 'Wayne Fischer'
Cc: DINO DICIANNO; ERIN FIERRO
Subject: RE: SB400 Hearing

Wayne,
Will do. I will put you on a list for the workshops and then make sure you get notified.
Chuck Chinnock

-----Original Message-----

From: Wayne Fischer [mailto:Wayne@TahoeSnowmobiling.org]
Sent: Monday, June 27, 2005 8:18 PM
To: CHUCK CHINNOCK
Subject: SB400 Hearing

Chuck,

Just as a follow up to seeing you today. I will be delighted to provide input on setting up the taxation of all OHVs in Nevada.

My only OHV is a snowmobile so will try to represent the snowmobile side of the OHV program.

Please let me know when you schedule the first set of SB400 Hearings. Per what you told me today, you said this might happen sometime between middle of August to middle of September.

Best Regards,
Wayne Fischer, President
North Tahoe Snow Travelers
Wayne@TahoeSnowmobiling.org
www.TahoeSnowmobiling.org
775-720-2934
PO Box 9268
Incline Village, NV 89452-9268

NEVADA CONSERVATION LEAGUE
↳ KATHY BACLYN T → 329-5599
F → 329-2426
E-MAIL → KBNVCL@SBCGLOBAL.NET

DINO DICIANNO

From: Gail Ferrell [csaws@pointers.reno.nv.us]
Sent: Wednesday, August 03, 2005 6:49 AM
To: DINO DICIANNO
Cc: kbnvcl@sbcglobal.net
Subject: Re: SB 400

Hello Dino Dicianno,
Please include me in the group working on the implementation of SB400. I work full time and am requesting meetings of this future group either on Fridays any time, or late afternoon meetings.

Thank you,

Gail Ferrell

Snowlands Network/Winter Wildlands Alliance

gail@snowlands.org

P.O.Box 18554

Reno.NV 89511

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----- Original Message -----

From: Dino Dicianno

To: kbnvcl@sbcglobal.net

Sent: Tuesday, August 02, 2005 9:05 AM

Subject: SB 400

I apologize for not getting back to you sooner. We would greatly appreciate your and the groups input concerning the regulations associated with the implementation of SB 400. I will set up a workshop early in September to discuss those issues. I will keep you posted as to the time and place of the meeting. Thank you.

Dino DiCianno,

Deputy Director - Compliance

Department of Taxation

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CHAPTER.....

AN ACT relating to off-highway vehicles; providing for the issuance of certificates of operation for off-highway vehicles by authorized dealers; prohibiting a person from operating an off-highway vehicle without a certificate of operation under certain circumstances; prohibiting a person from operating an off-highway vehicle on a paved highway under certain circumstances; authorizing a city or county to designate a portion of a highway within the city or county as permissible for the operation of off-highway vehicles for certain purposes; and providing other matters properly relating thereto.

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

Section 1. Chapter 360 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 13, inclusive, of this act.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 360.005 and sections 3 to 6, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *"Authorized dealer" means a dealer authorized by the Department to issue certificates of operation for off-highway vehicles pursuant to section 7 of this act.*

Sec. 4. *"Highway" has the meaning ascribed to it in NRS 482.045.*

Sec. 5. *"Motor vehicle" has the meaning ascribed to it in NRS 482.075.*

Sec. 6. 1. *"Off-highway vehicle" means a motor vehicle that is designed primarily for off-highway and all-terrain use. The 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. 7. 1. Upon the request of a dealer of off-highway vehicles, the Department may authorize the dealer to issue certificates of operation 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 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;

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

(e) Bear any cost of equipment which is required to issue certificates of operation, including any computer software or hardware.

4. An authorized dealer is not entitled to receive compensation from the Department for the performance of those services.

5. An authorized dealer shall not charge or collect a fee for issuing a certificate of operation.

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 certificates of operation by the Department to authorized dealers; and

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

Sec. 8. 1. Except as otherwise provided in subsection 4, a person shall not operate an off-highway vehicle on a highway pursuant to sections 9 to 13, inclusive, of this act 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 an off-highway vehicle is lost or destroyed, the owner of the off-highway vehicle may request a new certificate of operation from an authorized dealer.

3. If the owner of an off-highway vehicle sells or otherwise transfers ownership of the off-highway vehicle, the certificate of operation remains valid.

4. 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) Is part of the inventory of a dealer of off-highway vehicles;

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

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

Sec. 9. Except as otherwise provided in section 10 or 11 of this act:

1. A person shall not, except as otherwise provided in subsection 2 or 3, operate an off-highway vehicle on a paved highway that is not otherwise designated for use by off-highway vehicles.

2. A person may operate an off-highway vehicle on a paved highway that is not otherwise designated for use by off-highway vehicles:

(a) If the off-highway vehicle is operated on the highway for the purpose of crossing the highway, comes to a complete stop before crossing and crosses as close as practicable to perpendicular to the direction of travel on the highway;

(b) If the off-highway vehicle is operated on the highway for the purpose of loading or unloading the off-highway vehicle onto or off of another vehicle or trailer, if the loading or unloading is as close as practicable to the place of operation of the off-highway vehicle;

(c) During an emergency if it is impossible or impracticable to use another vehicle or if a peace officer directs the operation of the off-highway vehicle; or

(d) If the off-highway vehicle is operated on a portion of a highway that is designated as a trail connector for a trail

authorized for use by off-highway vehicles for not more than 2 miles.

3. A person may operate an off-highway vehicle on any public land, trail, way or unpaved county road unless prohibited by the governmental entity which has jurisdiction over the public land, trail, way or unpaved county road.

4. A governmental entity specified in subsection 3 may:

(a) Prepare and distribute upon request a map or other document setting forth each area of public land, trail, way or unpaved county road that is prohibited for the operation off-highway vehicles; and

(b) Erect and maintain signs designating each area of public land, trail, way or unpaved county road that is prohibited for the operation off-highway vehicles.

Sec. 10. 1. Except as otherwise provided in subsection 2, a city or county may designate any portion of a highway within the city or county as permissible for the operation of off-highway vehicles for the purpose of allowing off-highway vehicles to reach a private or public area that is open for use by off-highway vehicles. If a city or county designates any portion a state highway as permissible for the operation of off-highway vehicles pursuant to this subsection, the city or county must obtain approval for the designation from the Department of Transportation. The Department of Transportation shall issue a timely decision concerning the request for approval and must not unreasonably deny the request.

2. The highway designated for operation of off-highway vehicles pursuant to subsection 1 may not consist of any portion of an interstate highway.

3. If a city or county designates a highway for the operation of off-highway vehicles, the city or county may adopt an ordinance requiring a person who is less than 16 years of age and who is operating the off-highway vehicle on a designated highway to be under the direct visual supervision of a person who is at least 18 years of age.

4. A person operating an off-highway vehicle on a highway designated for operation of off-highway vehicles pursuant to subsection 1 may not operate the off-highway vehicle on the highway for any purpose other than to travel to or from the private or public area as described in subsection 1.

Sec. 11. 1. Except as otherwise provided in subsection 2, if an off-highway vehicle meets the requirements of sections 2 to 13, inclusive, of this act and the operator holds a valid driver's license and operates the off-highway vehicle in accordance with the requirements of those sections, the off-highway vehicle may be

operated on a highway in accordance with sections 9 to 13, inclusive, of this act.

2. An off-highway vehicle may not be operated pursuant to this section:

- (a) On an interstate highway;*
- (b) On a paved highway in this State for more than 2 miles; or*
- (c) Unless the highway is specifically designated for use by off-highway vehicles in a city whose population is 100,000 or more.*

Sec. 12. In addition to the requirements set forth in section 7 of this act, a person shall not operate an off-highway vehicle on a highway pursuant to sections 9 to 13, inclusive, of this act unless the off-highway vehicle has:

- 1. At least one headlamp that illuminates objects at least 500 feet ahead of the vehicle;*
- 2. At least one tail lamp that is visible from at least 500 feet behind the vehicle;*
- 3. At least one red reflector on the rear of the vehicle, unless the tail lamp is red and reflective;*
- 4. A stop lamp on the rear of the vehicle; and*
- 5. A muffler which is in working order and which is in constant operation when the vehicle is running.*

Sec. 13. The operator of an off-highway vehicle that is being driven on a highway in this State in accordance with sections 9 to 13, inclusive, of this act shall:

- 1. Comply with all traffic laws of this State;*
- 2. Ensure that the certificate of operation for the off-highway vehicle is attached to the vehicle in accordance with section 8 of this act; and*
- 3. Wear a helmet.*

Sec. 14. NRS 360.005 is hereby amended to read as follows:
360.005 ~~{As used in this chapter, "retailer"}~~ "Retailer" has the meaning ascribed to it in NRS 372.055.

Sec. 15. This act becomes effective on January 1, 2006.