

Senate Bill 69

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Theodore R. Kulongoski for State Parks and Recreation Department)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Changes terminology used to describe certain off-road vehicles from all-terrain to off-highway. Changes name and purposes of All-Terrain Vehicle Account. Modifies name and membership of All-Terrain Vehicle Account Allocation Committee. Revises definitions of off-highway vehicles. Allows State Parks and Recreation Department to issue off-highway vehicle access permit to out-of-state off-highway vehicle owner.

A BILL FOR AN ACT

1
2 Relating to off-highway vehicles; creating new provisions; amending ORS 390.550, 390.555, 390.560,
3 390.565, 390.570, 390.580, 390.585, 390.590, 459.790, 801.040, 801.041, 801.042, 801.190, 801.193,
4 801.194, 802.125, 803.030, 803.305, 806.020, 807.020, 810.540, 811.720, 815.110, 815.300, 821.055,
5 821.170, 821.172, 821.174, 821.190, 821.191, 821.192, 821.195, 821.200, 821.202, 821.203, 821.220,
6 821.230, 821.240, 821.250, 821.260, 821.280, 821.285, 821.290, 821.292, 821.295, 821.310, 822.030,
7 822.033 and 822.605; and repealing ORS 390.575 and 821.142.

8 Whereas it is the desire of the Oregon Legislative Assembly to create a program that ensures
9 managed, safe and sufficient recreational opportunities for riders of off-highway vehicles; now,
10 therefore,

Be It Enacted by the People of the State of Oregon:

11 **SECTION 1.** ORS 390.550 is amended to read:

12 390.550. As used in this chapter:

13 (1) "Class I [*all-terrain*] **off-highway** vehicle" has the meaning given that term in ORS 801.190.

14 (2) "Class II [*all-terrain*] **off-highway** vehicle" has the meaning given that term in ORS 801.193.

15 (3) "Class III [*all-terrain*] **off-highway** vehicle" has the meaning given that term in ORS 801.194.

16 **SECTION 2.** ORS 390.555 is amended to read:

17 390.555. The [*All-Terrain*] **Off-Highway** Vehicle Account is established as a separate account in
18 the State Parks and Recreation Department Fund, to be accounted for separately. Interest earned
19 by the [*All-Terrain*] **Off-Highway** Vehicle Account shall be credited to the account. After deduction
20 of expenses of collection, transfer, **program management** and administration, including the ex-
21 penses of **the** establishment and operation of [*Class I all-terrain*] **off-highway** vehicle safety **and**
22 **other** education courses under ORS 390.570 [*and Class III all-terrain vehicle safety education courses*
23 *under ORS 390.575*], the following moneys shall be transferred to the account:

24 (1) Fees collected by the State Parks and Recreation Department for issuance of [*operating per-*
25 *mits for all-terrain vehicles*] **off-highway vehicle access permits** under ORS 390.580 and 390.590.

26 (2) Fees collected by the department from participants in the [*Class I and Class III all-terrain*]
27 **off-highway** vehicle safety education courses under ORS 390.570 [*and 390.575*].

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (3) The moneys transferred from the Department of Transportation under ORS 802.125 that
2 represent unrefunded fuel tax.

3 **SECTION 3.** ORS 390.560 is amended to read:

4 390.560. Moneys in the [*All-Terrain*] **Off-Highway** Vehicle Account established under ORS
5 390.555 shall be used for the following purposes only:

6 (1) In each 12-month period, no less than 10 percent of the moneys described in ORS 390.555 that
7 are attributable to Class I [*all-terrain*] **off-highway** vehicles shall be transferred to the Department
8 of Transportation [*to be used*] for the development and maintenance of snowmobile facilities as pro-
9 vided in ORS 802.110;

10 (2) Planning, promotion and implementation of a statewide [*all-terrain*] **off-highway** vehicle
11 program including acquisition, development, **resource management** and maintenance of
12 [*all-terrain*] **off-highway** vehicle recreation areas; **and**

13 [*(3) Education and safety training for all-terrain vehicle operators;*]

14 [(4)] (3) Provision of **safety**, first aid and [*police*] **law enforcement** services in [*all-terrain*] **off-**
15 **highway** vehicle recreation areas designated by the appropriate authority[;].

16 [(5) *Costs of instigating, developing or promoting new programs for all-terrain vehicle users and*
17 *of advising people of possible usage areas for all-terrain vehicles;*]

18 [(6) *Costs of coordinating between all-terrain vehicle user groups and the managers of public*
19 *lands;*]

20 [(7) *Costs of providing consultation and guidance to all-terrain vehicle user programs; and*]

21 [(8) *Costs of administration of the all-terrain vehicle programs, including staff support provided*
22 *under ORS 390.565 as requested by the All-Terrain Vehicle Account Allocation Committee.*]

23 **SECTION 4.** ORS 390.565 is amended to read:

24 390.565. (1) The [*All-Terrain*] **Off-Highway** Vehicle Account Allocation Committee is established.
25 The committee shall consist of [*seven voting*] **nine** members [*and four nonvoting members*] appointed
26 by the State Parks and Recreation [*Commission*] **Director** for a term of four years. Members are
27 eligible for reappointment [*and vacancies may be filled by the commission*]. Recommendations under
28 subsection (4)(a) of this section on allocation of moneys in the [*All-Terrain*] **Off-Highway** Vehicle
29 Account must receive an affirmative vote from at least [*four*] **five** of the [*voting*] members of the
30 committee.

31 (2) Of the [*voting*] members of the committee:

32 (a) Two shall be representatives of Class I [*all-terrain*] **off-highway** vehicle user organizations.

33 [(b) *One shall be a representative of a four wheel drive vehicle user organization.*]

34 [(c) *One shall be a representative of a dune buggy user organization.*]

35 [(d) *One shall be an all-terrain vehicle user.*]

36 [(e) *Two shall be representatives of Class III all-terrain vehicle user groups.*]

37 [(3) *Of the nonvoting members of the committee:*]

38 [(a) *One shall be a representative of the State Parks and Recreation Department.*]

39 [(b) *One shall be a representative of the United States Forest Service.*]

40 [(c) *One shall be a representative of the Bureau of Land Management.*]

41 [(d) *One shall be a representative of a snowmobile user organization.*]

42 **(b) Two shall be representatives of Class II off-highway vehicle user organizations.**

43 **(c) Two shall be representatives of Class III off-highway vehicle user organizations.**

44 **(d) Three shall be members of the public at large.**

45 **(3) The director shall also request that a federal land management agency provide an**

1 **individual to participate with the committee in a nonvoting, advisory capacity.**

2 (4) The committee shall:

3 (a) Advise the State Parks and Recreation [*Department*] **Commission** on the allocation of mon-
4 eys in the [*All-Terrain*] **Off-Highway Vehicle Account** established by ORS 390.555; **and**

5 [*(b) Recommend, to managers of publicly and privately owned lands, trails and areas that may not*
6 *be used by any Class II all-terrain vehicle that has not been issued an operating permit under ORS*
7 *390.580; and*]

8 [*(c)*] (b) Advise the [*department*] **director** on candidates for appointment to the committee.

9 [(5) *The department shall provide staff support for the committee and shall provide for expansion*
10 *of programs for all-terrain vehicle users.*]

11 **SECTION 5. Notwithstanding the term of office for members of the Off-Highway Vehicle**
12 **Account Allocation Committee specified in ORS 390.565, the State Parks and Recreation Di-**
13 **rector may provide for shorter terms of office for the members first appointed to the com-**
14 **mittee pursuant to the amendments to ORS 390.565 by section 4 of this 2005 Act, to ensure**
15 **the continuity of the committee.**

16 **SECTION 6.** ORS 390.570 is amended to read:

17 390.570. (1) The State Parks and Recreation Department shall issue or provide for issuance of
18 [*a Class I all-terrain*] **an off-highway** vehicle operator permit to any person who has:

19 (a) Taken [*a Class I all-terrain*] **an off-highway** vehicle safety education course established
20 under this section **designed for the class of off-highway vehicle for which the permit is sought;**
21 and

22 (b) [*has*] Been found qualified to operate [*a Class I all-terrain*] **that class of off-highway vehi-**
23 **cle.**

24 (2) The department shall adopt rules to provide for [*Class I all-terrain*] **off-highway** vehicle
25 safety education courses and the issuance of [*Class I all-terrain*] **off-highway** vehicle operator per-
26 mits consistent with this section. The rules adopted by the department shall be consistent with the
27 following:

28 (a) The courses must be given by instructors designated by the department as qualified to con-
29 duct the courses and issue the permits.

30 (b) The instructors may be provided and permits issued through public or private local and state
31 organizations meeting qualifications established by the department.

32 (c) The department [*may collect a fee of not more than \$5*] **shall prescribe by rule a fee to be**
33 **collected** from each participant in [*a course established under this section*] **an off-highway vehicle**
34 **safety education course.**

35 **SECTION 7.** ORS 390.580 is amended to read:

36 390.580. (1)(a) An [*all-terrain vehicle off-road operating*] **off-highway vehicle access** permit is-
37 sued under this section [*is a decal that*] authorizes use of the [*all-terrain vehicle for which it*] **off-**
38 **highway vehicle to which the access permit** is issued on trails and in areas designated for such
39 use by the appropriate authority. **A person may not operate an off-highway vehicle on those**
40 **trails or in those areas without an access permit.**

41 (b) An [*all-terrain vehicle decal*] **access permit** issued under this section must be permanently
42 affixed to the vehicle and displayed in a [*clearly*] visible manner. The State Parks and Recreation
43 Department shall prescribe by rule the manner in which the [*decal shall*] **access permit is to be**
44 **displayed.**

45 (2) The department shall issue an [*all-terrain vehicle off-road operating*] **access** permit to any

1 person who completes the application described in subsection (4) of this section and pays the fee
2 specified in subsection (5) of this section.

3 (3) The department shall specify by rule the form of the **access** permit and the information to
4 be contained on the **access** permit.

5 (4) Application for an [*all-terrain vehicle off-road operating*] **access** permit for a Class I, Class
6 II or Class III [*all-terrain*] **off-highway** vehicle shall be in a form furnished by the department. The
7 application [*shall*] **must** include:

8 (a) The name and address of the owner of the [*all-terrain*] vehicle; and

9 (b) The make and body style of the [*all-terrain*] vehicle for which application is made.

10 (5) The department shall establish by rule a fee for [*a*] **an access** permit issued or renewed un-
11 der this section. The fee shall be designed to cover the costs to the department for issuing or re-
12 newing **access** permits under this section [*but shall not exceed \$10*].

13 (6) **Access** permits issued under this section are valid for two years. [*A*] **An access** permit may
14 be renewed upon submission of an application that contains the information specified in subsection
15 (4) of this section and payment of the renewal fee specified in subsection (5) of this section.

16 (7) The department may appoint agents to issue **access** permits for [*all-terrain*] **off-highway**
17 vehicles. The department shall prescribe the procedure for the issuance of the **access** permits.
18 Agents appointed under this subsection shall issue **access** permits in accordance with the prescribed
19 procedure and shall charge and collect the fees prescribed in this section for the **access** permits.

20 **SECTION 8.** ORS 390.585 is amended to read:

21 390.585. The State Parks and Recreation [*Department*] **Commission** may adopt rules necessary
22 for carrying out the duties imposed by ORS 390.550 to 390.590.

23 **SECTION 9.** ORS 390.590 is amended to read:

24 390.590. [(1) *An out-of-state all-terrain vehicle operating permit is a vehicle permit that is issued*
25 *as evidence of a grant of authority to operate in this state an all-terrain vehicle that is owned by a*
26 *resident of another state.*]

27 [(2)] The State Parks and Recreation Department [*shall establish a program for the issuance of*
28 *out-of-state all-terrain vehicle permits under this section. The program established by the department*
29 *shall comply with all of the following:*]

30 [(a) *A permit may only be issued for all-terrain vehicles owned by the resident of another state*
31 *where registration is not required by law.*]

32 [(b) *A permit is valid for not more than two years.*]

33 [(c) *Application for a permit shall state the name and address of each owner.*]

34 [(d) *The fee for issuance of a permit shall be \$10.*] **may, in the manner provided for the issu-**
35 **ance of off-highway vehicle access permits in ORS 390.580, issue off-highway vehicle access**
36 **permits to out-of-state resident owners of off-highway vehicles who desire to operate an**
37 **off-highway vehicle in Oregon, if the owner of the off-highway vehicle:**

38 (1) **Holds an out-of-state off-highway vehicle operator permit; and**

39 (2) **Does not have an off-highway vehicle access permit from another state affixed to the**
40 **vehicle being ridden in Oregon.**

41 **SECTION 10.** ORS 459.790 is amended to read:

42 459.790. Except for the purposes of waste tire removal under ORS 459.780 (2) and (4) to (8), the
43 provisions of ORS 459.705 to 459.785 do not apply to:

44 (1) Tires from:

45 (a) Any device moved exclusively by human power.

1 (b) Any device used exclusively upon stationary rails or tracks.

2 (c) A motorcycle.

3 (d) An [*all-terrain*] **off-highway** vehicle.

4 (e) Any device used exclusively for farming purposes, except a farm truck.

5 (2) A retreadable casing while under the control of a tire retreader or while being delivered to
6 a retreader.

7 **SECTION 11.** ORS 801.040 is amended to read:

8 801.040. This section describes circumstances where special provisions are made concerning the
9 authority of cities, counties or other political subdivisions in relation to some portion of the vehicle
10 code. This section is not the only section of the vehicle code that applies to such authority and shall
11 not be interpreted to affect the vehicle code except as specifically provided in this section. The
12 following limits are partial or complete as described:

13 (1) No county, municipal or other local body with authority to adopt and administer local police
14 regulations under the Constitution and laws of this state shall enact or enforce any rule or regu-
15 lation in conflict with the provisions of the vehicle code described in this subsection except as spe-
16 cifically authorized in the vehicle code. This subsection applies to the provisions of the vehicle code
17 relating to abandoned vehicles, vehicle equipment, regulation of vehicle size, weight and load, the
18 manner of operation of vehicles and use of roads by persons, animals and vehicles.

19 (2) Except as provided in ORS 822.230 and this subsection, no city, county or other political
20 subdivisions shall regulate or require or issue any registration, licenses, permits or surety bonds or
21 charge any fee for the regulatory or surety registration of any person required to obtain a certif-
22 icate from the Department of Transportation under ORS 822.205. This subsection does not:

23 (a) Limit any authority of a city or county to license and collect a general and
24 nondiscriminatory license fee levied upon all businesses or to levy a tax based upon business con-
25 ducted by any person within the city or county.

26 (b) Limit the authority of any city or county to impose any requirements or conditions as part
27 of any contract to perform towing or recovering services for the city or county.

28 (c) Limit the authority of any city or county to impose requirements and conditions that govern
29 the towing of a vehicle by a towing business under ORS 98.812 so long as those requirements and
30 conditions are consistent with the provisions of ORS 822.230.

31 (3) No city, county or other political subdivision of this state, nor any state agency, may adopt
32 a regulation or ordinance that imposes a special fee for the use of public lands or waters by
33 snowmobiles or Class I [*all-terrain*] **off-highway** vehicles, or for the use of any access thereto that
34 is owned by or under the jurisdiction of either the United States, this state or any such city, county
35 or other political subdivision. The registration fees provided by ORS 821.320 are in lieu of any per-
36 sonal property or excise tax imposed on snowmobiles by this state or any political subdivision. No
37 city, county or other municipality, and no state agency shall impose any other registration or license
38 fee on any snowmobile in this state. This subsection does not prohibit any city, county or other
39 political subdivision, or any state agency from regulating the operation of snowmobiles or Class I
40 [*all-terrain*] **off-highway** vehicles on public lands, waters and other properties under its jurisdiction
41 and on streets or highways within its boundaries by adopting regulations or ordinances of its gov-
42 erning body if such regulations are not inconsistent with ORS 821.150 to 821.292.

43 (4) The provisions of ORS 819.100, 819.120, 819.150, 819.160 and 819.210 to 819.260 relating to
44 removal of vehicles that are abandoned establish minimum requirements subject to the following:

45 (a) Notwithstanding paragraph (b) of this subsection, a county or incorporated city may super-

1 sede such provisions by ordinance or charter provision.

2 (b) Any road authority described under ORS 810.010 may adopt rules or procedures that do not
3 conflict with such provisions to provide for additional protection for the owner or person with an
4 interest in a vehicle subject to such provisions or that more quickly accomplish the procedures es-
5 tablished under such provisions.

6 (5) Any incorporated city may by ordinance require that the driver of a vehicle involved in an
7 accident file with a designated city department a copy of any report required to be filed under ORS
8 811.725. All such reports shall be for the confidential use of the city department but subject to the
9 same requirements for release of such reports as provided for the release of such reports by the
10 department under ORS 802.220 and 802.240.

11 (6) Except as otherwise specifically provided in this section, in accordance with the provisions
12 of ORS 801.041, the governing body of a county may establish by ordinance registration fees for
13 vehicles registered at a residence or business address within the county.

14 (7) Except as otherwise specifically provided in this section, in accordance with the provisions
15 of ORS 801.042, the governing body of a district may establish by ordinance registration fees for
16 vehicles registered at a residence or business address within the district.

17 **SECTION 12.** ORS 801.041, as amended by section 85, chapter 655, Oregon Laws 2003, is
18 amended to read:

19 801.041. The following apply to the authority granted to counties by ORS 801.040 to establish
20 registration fees for vehicles:

21 (1) An ordinance establishing registration fees under this section must be enacted by the county
22 imposing the registration fee and filed with the Department of Transportation. Any ordinance es-
23 tablishing registration fees that is enacted by the governing body of a county must be submitted to
24 the electors of the county for their approval. The governing body of the county imposing the regis-
25 tration fee shall enter into an intergovernmental agreement under ORS 190.010 with the department
26 by which the department shall collect the registration fees, pay them over to the county and, if
27 necessary, allow the credit or credits described in ORS 803.445 (5). The intergovernmental agree-
28 ment must state the date on which the department shall begin collecting registration fees for the
29 county.

30 (2) The authority granted by this section allows the establishment of registration fees in addition
31 to those described in ORS 803.420. There is no authority under this section to affect registration
32 periods, qualifications, cards, plates, requirements or any other provision relating to vehicle regis-
33 tration under the vehicle code.

34 (3) Except as otherwise provided for in this subsection, when registration fees are imposed under
35 this section, they must be imposed on all vehicle classes. Registration fees as provided under this
36 section may not be imposed on the following:

- 37 (a) Snowmobiles and Class I [*all-terrain*] **off-highway** vehicles.
- 38 (b) Fixed load vehicles.
- 39 (c) Vehicles registered under ORS 805.100 to disabled veterans.
- 40 (d) Vehicles registered as antique vehicles under ORS 805.010.
- 41 (e) Vehicles registered as vehicles of special interest under ORS 805.020.
- 42 (f) Government-owned or operated vehicles registered under ORS 805.040 or 805.045.
- 43 (g) School buses or school activity vehicles registered under ORS 805.050.
- 44 (h) Law enforcement undercover vehicles registered under ORS 805.060.
- 45 (i) Vehicles registered on a proportional basis for interstate operation.

1 (j) Vehicles with a registration weight of 26,001 pounds or more described in ORS 803.420 (10)
 2 or (11).

3 (k) Vehicles registered as farm vehicles under the provisions of ORS 805.300.

4 (L) Travel trailers, campers and motor homes.

5 (4) Any registration fee imposed by a county must be a fixed amount not to exceed, with respect
 6 to any vehicle class, the registration fee established under ORS 803.420 (1). For vehicles on which
 7 a flat fee is imposed under ORS 803.420, the fee must be a whole dollar amount.

8 (5) Moneys from registration fees established under this section must be paid to the county es-
 9 tablishing the registration fees as provided in ORS 802.110. The county ordinance shall provide for
 10 payment of at least 40 percent of the money to cities within the county unless a different distrib-
 11 ution is agreed to between the county and the cities within the jurisdiction of the county. The
 12 moneys shall be used for any purpose for which moneys from registration fees may be used.

13 (6) Two or more counties may act jointly to impose a registration fee under this section. The
 14 ordinance of each county acting jointly with another under this subsection must provide for the
 15 distribution of moneys collected through a joint registration fee.

16 (7) Before the governing body of a county that overlaps a district can impose a registration fee
 17 under this section, it must enter into an intergovernmental agreement under ORS 190.010 with the
 18 governing bodies of that district and all counties, other districts and cities with populations of over
 19 300,000 that overlap the district. The intergovernmental agreement must state the registration fees
 20 and, if necessary, how the revenue from the fees are to be apportioned among the counties and the
 21 districts. Before the governing body of a county can enter into such an intergovernmental agree-
 22 ment, the county shall consult with the cities in its jurisdiction.

23 **SECTION 13.** ORS 801.042, as amended by section 86, chapter 655, Oregon Laws 2003, is
 24 amended to read:

25 801.042. The following apply to the authority granted to a district by ORS 801.040 to establish
 26 registration fees for vehicles:

27 (1) Before the governing body of a district can impose a registration fee under this section, it
 28 must submit the proposal to the electors of the district for their approval and, if the proposal is
 29 approved, enter into an intergovernmental agreement under ORS 190.010 with the governing bodies
 30 of all counties, other districts and cities with populations of over 300,000 that overlap the district.
 31 The intergovernmental agreement must state the registration fees and, if necessary, how the revenue
 32 from the fees shall be apportioned among counties and the districts. Before the governing body of
 33 a county can enter into such an intergovernmental agreement, the county shall consult with the
 34 cities in its jurisdiction.

35 (2) If a district raises revenues from a registration fee for purposes related to highways, roads,
 36 streets and roadside rest areas, the governing body of that district shall establish a Regional Ar-
 37 terial Fund and shall deposit in the Regional Arterial Fund all such registration fees.

38 (3) Interest received on moneys credited to the Regional Arterial Fund shall accrue to and be-
 39 come a part of the Regional Arterial Fund.

40 (4) The Regional Arterial Fund must be administered by the governing body of the district re-
 41 ferred to in subsection (2) of this section and such governing body by ordinance may disburse mon-
 42 eys in the Regional Arterial Fund. Moneys within the Regional Arterial Fund may be disbursed only
 43 for a program of projects recommended by a joint policy advisory committee on transportation
 44 consisting of local officials and state agency representatives designated by the district referred to
 45 in subsection (2) of this section. The projects for which the joint policy advisory committee on

1 transportation can recommend funding must concern arterials, collectors or other improvements
2 designated by the joint policy advisory committee on transportation.

3 (5) Ordinances establishing registration fees under this section must be filed with the Depart-
4 ment of Transportation. The governing body of the district imposing the registration fee shall enter
5 into an intergovernmental agreement under ORS 190.010 with the department by which the depart-
6 ment shall collect the registration fees, pay them over to the district and, if necessary, allow the
7 credit or credits described in ORS 803.445 (5). The intergovernmental agreement must state the date
8 on which the department shall begin collecting registration fees for the district.

9 (6) The authority granted by this section allows the establishment of registration fees in addition
10 to those described in ORS 803.420. There is no authority under this section to affect registration
11 periods, qualifications, cards, plates, requirements or any other provision relating to vehicle regis-
12 tration under the vehicle code.

13 (7) Except as otherwise provided for in this subsection, when registration fees are imposed under
14 this section, the fees must be imposed on all vehicle classes. Registration fees as provided under this
15 section may not be imposed on the following:

16 (a) Snowmobiles and Class I [*all-terrain*] **off-highway** vehicles.

17 (b) Fixed load vehicles.

18 (c) Vehicles registered under ORS 805.100 to disabled veterans.

19 (d) Vehicles registered as antique vehicles under ORS 805.010.

20 (e) Vehicles registered as vehicles of special interest under ORS 805.020.

21 (f) Government-owned or operated vehicles registered under ORS 805.040 or 805.045.

22 (g) School buses or school activity vehicles registered under ORS 805.050.

23 (h) Law enforcement undercover vehicles registered under ORS 805.060.

24 (i) Vehicles registered on a proportional basis for interstate operation.

25 (j) Vehicles with a registration weight of 26,001 pounds or more described in ORS 803.420 (10)
26 or (11).

27 (k) Vehicles registered as farm vehicles under the provisions of ORS 805.300.

28 (L) Travel trailers, campers and motor homes.

29 (8) Any registration fee imposed by the governing body of a district must be a fixed amount not
30 to exceed, with respect to any vehicle class, the registration fee established under ORS 803.420 (1).
31 For vehicles on which a flat fee is imposed under ORS 803.420, the fee must be a whole dollar
32 amount.

33 **SECTION 14.** ORS 801.190 is amended to read:

34 801.190. "Class I [*all-terrain*] **off-highway** vehicle" means a motorized, [*off-highway*] recreational
35 vehicle 50 inches or less in width with a dry weight of 800 pounds or less that travels on three or
36 more low pressure tires, has a saddle or seat for the operator and is designed for or capable of
37 cross-country travel on or immediately over land, water, sand, snow, ice, marsh, swampland or other
38 natural terrain.

39 **SECTION 15.** ORS 801.193 is amended to read:

40 801.193. "Class II [*all-terrain*] **off-highway** vehicle" means any motor vehicle that:

41 (1) [*Weighs more than a Class I all-terrain vehicle and*] **Does not meet the definition of a Class**
42 **I off-highway vehicle but that weighs** less than 8,000 pounds;

43 (2) Is designed for or capable of cross-country travel on or immediately over land, water, sand,
44 snow, ice, marsh, swampland or other natural terrain; and

45 (3) Is actually being operated off a highway.

SECTION 16. ORS 801.194 is amended to read:

801.194. "Class III [*all-terrain*] **off-highway** vehicle" means [*an off-highway*] a motorcycle with a dry weight of 600 pounds or less that:

- (1) Travels on two tires; **and**
- (2) Is actually being operated off a highway.**

SECTION 17. ORS 802.125 is amended to read:

802.125. The Department of Transportation shall transfer to the State Parks and Recreation Department that portion of the amount paid to the Department of Transportation as motor vehicle fuel tax under ORS 319.020 and 319.530 that is determined by the department to be tax on fuel used by Class I, Class II and Class III [*all-terrain*] **off-highway** vehicles in off-highway operation and that is not refunded. The Department of Transportation shall determine the amount of moneys to be transferred under this section at quarterly intervals.

SECTION 18. ORS 803.030, as amended by section 99, chapter 655, Oregon Laws 2003, is amended to read:

803.030. This section establishes exemptions from the requirements under ORS 803.025 to obtain title issued by this state. The exemptions are subject to ORS 803.040. The exemptions are in addition to any exemptions under ORS 801.026. Vehicles exempted by this section from the requirements to be titled by this state are not prohibited from being titled by this state if titling is permitted under ORS 803.035. The exemptions are partial or complete as provided in the following:

- (1) Title from this state is not required for a vehicle unless the vehicle is operated on a highway in this state.
- (2) Title from this state is not required unless a vehicle is operated under a registration number of this state.
- (3) Snowmobiles, Class I [*all-terrain*] **off-highway** vehicles and Class III [*all-terrain*] **off-highway** vehicles are not subject to the requirements under ORS 803.025. The requirements and procedures for titling snowmobiles are as provided under ORS 821.060 and 821.070.
- (4) Road rollers, farm tractors and traction engines are exempt from the requirements for title.
- (5) Trolleys are exempt from the requirements for title.
- (6) Bicycles are exempt from the requirements for title.
- (7) United States Government owned and operated motor vehicles and trailers are exempt from the requirements for title.
- (8) Implements of husbandry, well drilling machinery, emergency fire apparatus providing public fire protection and invalid chairs are exempt from the requirements for title.
- (9) Fixed load vehicles are exempt from the requirements for title while operated within the immediate construction project, as described in the governmental agency contract, in the construction or reconstruction of state or county roads, highways or city streets.
- (10) Motor vehicles designed to operate at a loaded weight over 8,000 pounds, trailers and equipment are exempt from requirements for title while:
 - (a) Owned, leased, contracted or requisitioned by the State Forester, State Board of Forestry, their contractors under ORS chapter 477, or the federal government; and
 - (b) Being used for the purposes of forest protection and fire suppression under ORS chapter 477 or a similar federal statute, including movement of the vehicles to and from the work area.
- (11) Farm trailers are exempt from requirements for title when the operation or movement of the vehicle upon the highways is incidental to its use in an agricultural operation.
- (12) Golf carts operated under an ordinance adopted under ORS 810.070 are exempt from re-

1 requirements for title.

2 (13) Golf carts or similar vehicles are exempt from requirements for title when:

3 (a) They have not less than three wheels in contact with the ground;

4 (b) They have an unloaded weight of less than 1,300 pounds;

5 (c) They are designed to be and are operated at not more than 15 miles per hour; and

6 (d) They are operated by disabled persons.

7 (14) The nonresident owners of vehicles currently registered and titled in any other country,
8 state or territory may operate such vehicles over the highways of this state without complying with
9 the titling requirements under ORS 803.025. All of the following apply to this subsection:

10 (a) This subsection only provides an exemption so long as the owner satisfactorily shows that
11 the owner is not a resident of this state as described under ORS 803.200.

12 (b) The exemption under this subsection applies to vehicles granted exemptions under ORS
13 802.500, 802.520 or 826.005, unless otherwise provided under paragraph (c) of this subsection.

14 (c) Except as otherwise provided in this paragraph, a vehicle operated over the highways of this
15 state for compensation or profit must comply with the titling requirements under ORS 803.025 in the
16 same manner as required of nontitled vehicles. The following vehicles are not subject to this para-
17 graph:

18 (A) Vehicles operated under reciprocal registration exemptions established under ORS 802.500
19 or 826.005.

20 (B) Vehicles operated under an exemption established under ORS 802.520.

21 (C) Vehicles that are proportionally registered under an agreement established under ORS
22 826.007, and according to the procedures established under ORS 826.009 or 826.011.

23 (D) Any vehicle if duly registered and titled under the laws of the state or country of which the
24 owner is a bona fide resident to the extent that in the foreign country, state, territory or federal
25 district where the owner resides like exemptions and privileges are granted vehicles duly registered
26 and titled under the laws of this state and owned by residents of this state.

27 (d) If no exemptions from titling requirements are in effect under ORS 802.500, 802.520, 826.005
28 or 826.007 with respect to another jurisdiction, any vehicle properly registered and titled in such
29 other jurisdiction and for which evidence of compliance is supplied shall receive, when operated in
30 this state, the same exemptions, benefits and privileges granted by such other jurisdictions to vehi-
31 cles properly registered and titled in this state. Reciprocity extended under this paragraph shall
32 apply to commercial vehicles only when engaged exclusively in interstate commerce.

33 (e) Any vehicle operated under dealer registration plates issued by another state, country,
34 province, territory or the District of Columbia is subject to this subsection.

35 (15) Vehicle dealers issued certificates under ORS 822.020 may use and operate untitled vehicles
36 as provided under ORS 822.040.

37 (16) Towing businesses issued certificates under ORS 822.205 may tow untitled vehicles as pro-
38 vided under ORS 822.210.

39 (17) Vehicle transporters issued certificates under ORS 822.310 may transport untitled vehicles
40 as provided in ORS 822.310.

41 (18) Untitled vehicles may be operated under trip permits described under ORS 803.600 or under
42 permits described under ORS 803.610 to 803.625.

43 (19) Vehicles that are registered by the United States Department of State and that are owned
44 or operated by foreign nationals with diplomatic immunity are exempt from the requirements for
45 title.

1 (20)(a) Vehicles that are registered under the proportional registration provisions of ORS chap-
2 ter 826 and are titled in a jurisdiction other than Oregon are exempt from the requirements for title.

3 (b) A trailer that is registered under the proportional registration provisions of ORS chapter 826
4 and titled in a jurisdiction other than Oregon shall remain exempt from the requirements for title
5 in Oregon if the trailer is registered when the other jurisdiction removes its exception to propor-
6 tional registration requirements for the trailer.

7 (21) Converter dollies and tow dollies are exempt from the requirements for title.

8 (22) Electric personal assistive mobility devices are exempt from the requirements for title.

9 **SECTION 19.** ORS 803.305, as amended by section 109, chapter 655, Oregon Laws 2003, is
10 amended to read:

11 803.305. This section establishes exemptions from the requirements under ORS 803.300. The ex-
12 emptions under this section are in addition to any exemptions under ORS 801.026. Vehicles exempted
13 by this section from the requirements to be registered by this state are not prohibited from being
14 registered by this state if registration is permitted under ORS 803.310. The following are exempt,
15 either partially or completely as described, from the registration requirements under ORS 803.300:

16 (1) Road rollers, farm tractors, trolleys and traction engines are exempt from registration.

17 (2) Bicycles are exempt from registration.

18 (3) A vehicle is exempt from registration if it has registration issued for the vehicle by the
19 Armed Forces of the United States where the registration is issued in a foreign country to a vehicle
20 owned by a member of the Armed Forces. The exemption granted by this subsection applies only for
21 a period of 45 days from the time the vehicle is returned to the United States.

22 (4) A vehicle is exempt from registration if it is not operated on the highways of this state.

23 (5) A trailer is exempt from registration if it is equipped with pneumatic tires made of elastic
24 material and is not operated in this state with a loaded weight of more than 1,800 pounds. A trailer
25 for hire, travel trailer or camper is not exempt by this subsection.

26 (6) Vehicles owned and operated by the United States Government are exempt from registration.

27 (7) Snowmobiles are subject to the requirements for registration provided under ORS 821.080 to
28 821.110.

29 (8) Implements of husbandry, well drilling machinery, emergency fire apparatus providing public
30 fire protection and invalid chairs are exempt from registration.

31 (9) Road graders, farm tractors and farm trailers on highways are exempt from registration when
32 the operation of the vehicle upon the highway is incidental to its use in an agricultural operation.

33 (10) Fixed load vehicles are exempt from registration while the vehicles are operated:

34 (a) In the construction or reconstruction of state or county roads, highways or city streets; and

35 (b) Within the immediate construction projects, as described in the governmental agency con-
36 tract under which the work is being performed.

37 (11) Motor vehicles designed to operate at a loaded weight over 8,000 pounds, trailers and
38 equipment are exempt from registration while being used for the purposes of forest protection and
39 fire suppression under ORS chapter 477 or a similar federal statute. The exemption under this sub-
40 section applies to the vehicles or equipment described while being moved to or from the work area.
41 The exemption under this subsection only applies to vehicles or equipment owned, leased, contracted
42 for or requisitioned by the State Forester or State Board of Forestry, a contractor of the State
43 Forester or State Board of Forestry under ORS chapter 477 or the United States Government.

44 (12) Vehicles being used for the purposes of forest protection and fire suppression are exempt
45 if the vehicles are necessary in order to comply with ORS 477.615 or 477.650 or a similar federal

1 statute. The exemption under this subsection also applies to the vehicles described being moved to
2 or from the work area.

3 (13) Golf cart exemptions from registration are as provided in ORS 820.210.

4 (14) Vehicles currently registered and titled in any other country, state or territory are not re-
5 quired to be registered by this state. All of the following apply to this subsection:

6 (a) This subsection only provides an exemption as long as the owner of the vehicle satisfactorily
7 shows that the owner is not a resident of this state as described under ORS 803.200.

8 (b) The exemption under this subsection applies to vehicles granted exemptions under ORS
9 802.500, 802.520 or 826.005 unless otherwise provided for under paragraph (c) of this subsection.

10 (c) Except as otherwise provided in this paragraph, a vehicle operated over the highways of this
11 state for compensation or profit must comply with the registration requirements under ORS 803.300
12 in the same manner as vehicles owned by persons in this state. The following vehicles are not sub-
13 ject to this paragraph:

14 (A) Vehicles operated under reciprocal registration exemptions established under ORS 802.500
15 or 826.005.

16 (B) Vehicles operated under an exemption established under ORS 802.520.

17 (C) Vehicles that are proportionally registered under an agreement established under ORS
18 826.007 and according to the procedures established under ORS 826.009 and 826.011.

19 (D) Any vehicle if duly registered and titled under the laws of the state or country of which the
20 owner is a bona fide resident to the extent that in the foreign country, state, territory or federal
21 district where the owner resides like exemptions and privileges are granted vehicles duly registered
22 and titled under the laws of this state and owned by residents of this state.

23 (d) If no exemption from registration requirements is in effect under ORS 802.500, 802.520,
24 826.005 or 826.007 with respect to another jurisdiction, any vehicle properly registered and titled in
25 such other jurisdiction and for which evidence of compliance is supplied shall receive, when oper-
26 ated in this state, the same exemptions, benefits and privileges granted by such other jurisdictions
27 to vehicles properly registered and titled in this state. Reciprocity extended under this paragraph
28 shall apply to commercial vehicles only when engaged exclusively in interstate commerce.

29 (e) Any vehicle operated under dealer registration plates issued by another state, country,
30 province, territory or the District of Columbia is subject to this subsection.

31 (15) Vehicles operated or used by vehicle dealers may be operated or used without registration
32 as provided under ORS 822.040.

33 (16) Vehicles towed by towing businesses may be towed without registration as provided under
34 ORS 822.210.

35 (17) Vehicles without registration may be transported by vehicle transporters as provided under
36 ORS 822.310.

37 (18) Vehicles that are not registered may be operated under trip permits described under ORS
38 803.600 or under permits described under ORS 803.610 to 803.625.

39 (19) If trailers that are part of a fleet of trailers for hire are properly registered in this state
40 under an agreement entered into pursuant to ORS 802.500, all trailers that are identified as being
41 a part of the same fleet and that are currently registered in any state, territory, province, country
42 or the District of Columbia shall be permitted to operate in this state in both interstate and intra-
43 state commerce without being registered by this state.

44 (20) Vehicles that are registered by the United States Department of State and that are owned
45 or operated by foreign nationals with diplomatic immunity are exempt from registration.

1 (21) Tow dollies and converter dollies are exempt from registration.

2 (22) Class I and Class III [*all-terrain*] **off-highway** vehicles are exempt from registration.

3 (23) Motor assisted scooters are exempt from registration.

4 (24) Electric personal assistive mobility devices are exempt from registration.

5 **SECTION 20.** ORS 806.020 is amended to read:

6 806.020. This section provides exemptions from the necessity for compliance with or proof of
7 compliance with financial responsibility requirements in accident reports under ORS 811.725, when
8 applying for vehicle registration under ORS 803.370 or 803.460 and for operating a vehicle under
9 ORS 806.010. The owner or operator of a vehicle is exempt, as provided by this section, from finan-
10 cial responsibility requirements if the vehicle involved in the accident, sought to be registered or
11 operated is any of the following:

12 (1) An antique motor vehicle issued permanent registration under ORS 805.010.

13 (2) A farm trailer.

14 (3) A farm tractor.

15 (4) An implement of husbandry.

16 (5) A motor vehicle of special interest that is maintained as a collector's item and used for ex-
17 hibitions, parades, club activities and similar uses, but not used primarily for the transportation of
18 persons or property.

19 (6) A snowmobile, Class I or Class III [*all-terrain*] **off-highway** vehicle.

20 (7) Any motor vehicle when the owner of the vehicle has submitted to the Department of
21 Transportation a statement, in such form as may be required by the department, declaring that the
22 vehicle is continuously not being operated on the highways of this state and explaining the reasons
23 therefor. A person who falsely certifies under this subsection is subject to penalty under ORS
24 806.030.

25 (8) A motor assisted scooter.

26 (9) An electric personal assistive mobility device.

27 **SECTION 21.** ORS 807.020 is amended to read:

28 807.020. A person who is granted a driving privilege by this section may exercise the driving
29 privilege described without violation of the requirements under ORS 807.010. A grant of driving
30 privileges to operate a motor vehicle under this section is subject to suspension and revocation the
31 same as other driving privileges granted under the vehicle code. This section is in addition to any
32 exemptions from the vehicle code under ORS 801.026. The following persons are granted the de-
33 scribed driving privileges:

34 (1) A person who is not a resident of this state may operate a motor vehicle without an Oregon
35 license or driver permit if the person holds a current out-of-state license issued to the person by the
36 person's home jurisdiction. To qualify under this subsection, the person must have the out-of-state
37 license or driver permit in the person's possession. A person is not granted driving privileges under
38 this subsection:

39 (a) If the person is under the minimum age required to be eligible for driving privileges under
40 ORS 807.060;

41 (b) During a period of suspension or revocation by this state or any other jurisdiction of driving
42 privileges or of the right to apply for a license or driver permit issued by this state or any other
43 jurisdiction; or

44 (c) That exceed the driving privileges granted to the person by the home jurisdiction of the
45 person.

1 (2) A person in the Armed Forces of the United States may operate a motor vehicle without an
 2 Oregon license or driver permit if the person:

3 (a) Has a current out-of-state license or driver permit issued by the Armed Forces; and

4 (b) Is operating an official motor vehicle in the course of the person's duties in the Armed
 5 Forces.

6 (3) A person without a license or driver permit may operate a road roller or road machinery
 7 that is not required to be registered under the laws of this state.

8 (4) A person without a license or driver permit may temporarily operate, draw, move or propel
 9 a farm tractor or implement of husbandry.

10 (5) A person without a license or driver permit may operate a motor vehicle to demonstrate
 11 driving ability during the course of an examination administered under ORS 807.070 for the purpose
 12 of qualifying for a license or driver permit. This subsection only applies when an authorized exam-
 13 iner is in a seat beside the driver of the motor vehicle.

14 (6) Driving privileges for snowmobiles are exclusively as provided in ORS 821.150.

15 (7) Driving privileges for Class I [*all-terrain*] **off-highway** vehicles are exclusively as provided
 16 in ORS 821.170.

17 (8) Driving privileges for Class III [*all-terrain*] **off-highway** vehicles are exclusively as provided
 18 in ORS 821.172.

19 (9) A person without a license or driver permit may operate a golf cart in accordance with an
 20 ordinance adopted under ORS 810.070.

21 (10) The spouse of a member of the Armed Forces of the United States on active duty who is
 22 accompanying the member on assignment in this state may operate a motor vehicle if the spouse
 23 has a current out-of-state license or driver permit issued to the spouse by another state in the
 24 spouse's possession.

25 (11) A person who is a member of the Armed Forces of the United States on active duty may
 26 operate a motor vehicle if the person has a current out-of-state license or driver permit in the per-
 27 son's possession that is issued to the person by the person's state of domicile or by the Armed
 28 Forces of the United States in a foreign country. Driving privileges described under this subsection
 29 that are granted by the Armed Forces apply only for a period of 45 days from the time the person
 30 returns to the United States.

31 (12) A person who does not hold a motorcycle endorsement may operate a motorcycle if the
 32 person is:

33 (a) Within an enclosed cab; or

34 (b) Operating a vehicle designed to travel with three wheels in contact with the ground at
 35 speeds of less than 15 miles per hour.

36 (13) A person may operate a bicycle that is not an electric assisted bicycle without any grant
 37 of driving privileges.

38 (14) A person may operate an electric assisted bicycle without a driver license or driver permit
 39 if the person is 16 years of age or older.

40 (15) A person may operate a motor assisted scooter without a driver license or driver permit if
 41 the person is 16 years of age or older.

42 (16) A person who is not a resident of this state may operate a motor vehicle without an Oregon
 43 license or driver permit if the person is at least 15 years of age and has in the person's possession
 44 a current out-of-state equivalent of a Class C instruction driver permit issued to the person by the
 45 person's home jurisdiction. A person operating a motor vehicle under authority of this subsection

1 has the same privileges and is subject to the same restrictions as a person operating under the au-
2 thority of a Class C instruction driver permit issued as provided in ORS 807.280.

3 (17) A person may operate an electric personal assistive mobility device without any grant of
4 driving privileges if the person is 16 years of age or older.

5 **SECTION 22.** ORS 810.540 is amended to read:

6 810.540. Game wardens and all other state law enforcement officers within their respective ju-
7 risdiction shall enforce the provisions relating to snowmobiles and [*all-terrain*] **off-highway** vehicles
8 under ORS 821.190, 821.210, 821.220 and 821.240 to 821.290. The authority granted by this section to
9 enforce laws relating to snowmobiles and [*all-terrain*] **off-highway** vehicles is in addition to any
10 authority of police officers to enforce such laws.

11 **SECTION 23.** ORS 811.720 is amended to read:

12 811.720. (1) Except as provided in subsection (4) of this section, any accident occurring on a
13 highway or upon premises open to the public resulting in injury or death to any person is subject
14 to the reporting requirements under the following sections:

15 (a) The reporting requirements for drivers under ORS 811.725.

16 (b) The reporting requirements for occupants of vehicles in accidents under ORS 811.735.

17 (c) The reporting requirements for owners of vehicles under ORS 811.730.

18 (2) Except as provided in subsection (4) of this section, an accident occurring on a highway or
19 upon premises open to the public resulting in damage to the property of any person in excess of
20 \$1,500 is subject to the following reporting requirements:

21 (a) The driver of a vehicle that has more than \$1,500 damage must report the accident in the
22 manner specified under ORS 811.725.

23 (b) The owner of a vehicle that has more than \$1,500 damage must report the accident in the
24 manner specified in ORS 811.730 and under the circumstances specified in ORS 811.730.

25 (c) If the property damage is to property other than a vehicle involved in the accident, each
26 driver involved in the accident must report the accident in the manner specified under ORS 811.725
27 and each owner of a vehicle involved in the accident must report the accident in the manner spec-
28 ified in ORS 811.730 and under the circumstances specified in ORS 811.730.

29 (d) If a vehicle involved in the accident is damaged to the extent that the vehicle must be towed
30 from the scene of the accident, each driver involved in the accident must report the accident in the
31 manner specified under ORS 811.725 and each owner of a vehicle involved in the accident must re-
32 port the accident in the manner specified in ORS 811.730 and under the circumstances specified in
33 ORS 811.730.

34 (3) The dollar amount specified in subsection (2) of this section may be increased every five
35 years by the Department of Transportation based upon any increase in the Portland-Salem Consumer
36 Price Index for All Urban Consumers for All Items as prepared by the Bureau of Labor Statistics
37 of the United States Department of Labor or its successor during the preceding 12-month period.
38 The amount determined under this subsection shall be rounded to the nearest \$100.

39 (4) Operators of snowmobiles, Class I [*all-terrain*] **off-highway** vehicles or Class III [*all-terrain*]
40 **off-highway** vehicles are exempt from the reporting requirements of this section.

41 **SECTION 24.** ORS 815.110 is amended to read:

42 815.110. This section establishes requirements for ORS 815.115. The requirements under this
43 section are in addition to any other requirements for lighting equipment provided by law. Except
44 as specifically provided by an exemption under ORS 815.120, a person violates ORS 815.115 if the
45 person does not comply with any of the following requirements:

1 (1) The following types of vehicles must display slow-moving vehicle emblems described under
 2 ORS 815.060:

3 (a) Vehicles or combinations of vehicles designed for customary use at speeds of less than 25
 4 miles per hour.

5 (b) Golf carts or similar vehicles when operated by a disabled person.

6 (c) Class I [*all-terrain*] **off-highway** vehicles operated on a highway under ORS 821.191 (1).

7 (2) Slow-moving vehicle emblems must meet the requirements for such emblems established by
 8 the Department of Transportation by rule under ORS 815.060.

9 (3) Slow-moving vehicle emblems shall be displayed on the rear of the power unit. When a
 10 combination of vehicles is being operated in a manner that obscures the emblem mounted on the
 11 power unit, an additional emblem shall be displayed on the rear of the rearmost vehicle in the
 12 combination.

13 **SECTION 25.** ORS 815.300 is amended to read:

14 815.300. This section establishes exemptions from the requirements under ORS 815.295 to be
 15 equipped with a certified pollution control system. Exemptions established by this section are in
 16 addition to any exemptions established by ORS 801.026. The exemptions established in this section
 17 are also applicable to requirements for certification of pollution control equipment before registra-
 18 tion under ORS 803.350 and 803.465. All of the following vehicles are exempt from the requirements
 19 under ORS 815.295:

20 (1) Any vehicle that is not a motor vehicle.

21 (2) Any vehicle unless the vehicle is registered within:

22 (a) The boundaries of the metropolitan service district formed under ORS chapter 268 for the
 23 metropolitan area, as defined in ORS 268.020, which includes the City of Portland, Oregon.

24 (b) Boundaries designated by the Environmental Quality Commission under ORS 468A.390.

25 (3) Any new motor vehicle or new motor vehicle engine when the registration results from the
 26 initial retail sale thereof.

27 (4) Any motor vehicle:

28 (a) Not registered in areas designated under subsection (2)(a) of this section, including any ex-
 29 pansion of such boundary under subsection (2)(b) of this section, with a model year that predates
 30 by more than 20 years the year in which registration or renewal of registration is required; or

31 (b) Registered in areas designated under subsection (2)(a) of this section, including any expan-
 32 sion of such boundary under subsection (2)(b) of this section, with a model year of 1974 or earlier.

33 (5) Motor vehicles that are registered as farm vehicles under ORS 805.300 or apportioned farm
 34 vehicles under ORS 805.300.

35 (6) Special interest vehicles that are maintained as collectors' items and used for exhibitions,
 36 parades, club activities and similar uses but not used primarily for the transportation of persons or
 37 property.

38 (7) Fixed load vehicles.

39 (8) Vehicles that are proportionally registered under ORS 826.009 and 826.011 in accordance
 40 with agreements established under ORS 826.007.

41 (9) Electric motor vehicles. This subsection does not exempt hybrid motor vehicles that use
 42 electricity and another source of motive power.

43 (10) First response rescue units operated by political subdivisions of this state that are not used
 44 to transport persons suffering from illness, injury or disability.

45 (11) A vehicle that is currently registered in Oregon at the time application for new registration

1 is received by the Department of Transportation if the new registration is a result of a change in
 2 the registration or plate type and the application is received at least four months prior to the ex-
 3 piration of the existing registration.

4 (12) Golf carts.

5 (13) Any Class I, Class II or Class III [*all-terrain*] **off-highway** vehicle.

6 (14) An original equipment manufacturer vehicle that is engineered, designed, produced and
 7 warranted to use natural gas as its only fuel source.

8 **SECTION 26.** ORS 821.055 is amended to read:

9 821.055. Notwithstanding ORS 821.020, or any law requiring that vehicles be equipped in speci-
 10 fied ways in order to operate on highways, Class I, Class II and Class III [*all-terrain*] **off-highway**
 11 vehicles may operate on any highway in this state that is open to the public and is not maintained
 12 for passenger car traffic.

13 **SECTION 27.** ORS 821.170 is amended to read:

14 821.170. (1) A person commits the offense of operation of a Class I [*all-terrain*] **off-highway** ve-
 15 hicle without driving privileges if the person operates a Class I [*all-terrain*] **off-highway** vehicle on
 16 public lands and the person does not meet one **or more** of the following qualifications:

17 (a) The person must hold a valid driver license;

18 (b) The person must hold a valid Class I [*all-terrain*] **off-highway** vehicle operator permit issued
 19 under ORS 390.570; or

20 (c) The person must be accompanied by a person who is at least 18 years of age, who has either
 21 a valid driver license or a valid Class I [*all-terrain*] **off-highway** vehicle operator permit and who
 22 is either on the same vehicle, if the vehicle is designed to carry passengers, or on a separate Class
 23 I [*all-terrain*] **off-highway** vehicle.

24 (2) Notwithstanding subsection (1) of this section, no person under 12 years of age may operate
 25 a Class I [*all-terrain*] **off-highway** vehicle on a designated snowmobile trail under snow conditions
 26 unless the person holds a valid Class I [*all-terrain*] **off-highway** vehicle operator permit issued under
 27 ORS 390.570.

28 (3) The offense described in this section, operation of Class I [*all-terrain*] **off-highway** vehicle
 29 without driving privileges, is a Class D traffic violation.

30 **SECTION 28.** ORS 821.172 is amended to read:

31 821.172. (1) A person who is 12 years of age or older commits the offense of operation of a Class
 32 III [*all-terrain*] **off-highway** vehicle without driving privileges if the person operates a Class III
 33 [*all-terrain*] **off-highway** vehicle on public lands and the person does not meet one of the following
 34 qualifications:

35 (a) The person must hold a valid driver license;

36 (b) The person must hold a valid Class III [*all-terrain*] **off-highway** vehicle operator permit is-
 37 sued under [*ORS 390.575*] **ORS 390.570**; or

38 (c) The person must be accompanied by a person who is at least 18 years of age, who has either
 39 a valid driver license or a valid Class III [*all-terrain*] **off-highway** vehicle operator permit and who
 40 is either on the same vehicle, if the vehicle is designed to carry passengers, or on a separate Class
 41 III [*all-terrain*] **off-highway** vehicle.

42 (2) A person who is at least seven years of age but under 12 years of age commits the offense
 43 of operation of a Class III [*all-terrain*] **off-highway** vehicle without driving privileges if the person
 44 operates a Class III [*all-terrain*] **off-highway** vehicle on public lands and the person does not meet
 45 both of the following qualifications:

1 (a) The person must hold a valid Class III *[all-terrain]* **off-highway** vehicle operator permit is-
 2 sued under *[ORS 390.575]* **ORS 390.570**; and

3 (b) The person must be accompanied by a person who is at least 18 years of age, who has either
 4 a valid driver license or a valid Class III *[all-terrain]* **off-highway** vehicle operator permit and who
 5 is either on the same vehicle, if the vehicle is designed to carry passengers, or on a separate Class
 6 III *[all-terrain]* **off-highway** vehicle.

7 (3) A person under seven years of age commits the offense of operation of a Class III
 8 *[all-terrain]* **off-highway** vehicle without driving privileges if the person operates a Class III *[all-*
 9 *terrain]* **off-highway** vehicle on public lands.

10 (4) The offense described in this section, operation of a Class III *[all-terrain]* **off-highway** vehicle
 11 without driving privileges, is a Class C traffic violation.

12 **SECTION 29.** ORS 821.174 is amended to read:

13 821.174. Notwithstanding any other provision of law, a person may not operate a Class I *[all-*
 14 *terrain]* **off-highway** vehicle or a Class III *[all-terrain]* **off-highway** vehicle while the person's driv-
 15 ing privileges are suspended or revoked. A person who violates this section is in violation of ORS
 16 811.175 or 811.182, as appropriate.

17 **SECTION 30.** ORS 821.190 is amended to read:

18 821.190. (1) A person commits the offense of unlawful operation of an off-road vehicle on a
 19 highway or railroad if the person operates a vehicle described in subsection (2) of this section in
 20 any of the following described areas:

21 (a) On or across the paved portion, the shoulder, inside bank or slope of any highway, on or
 22 across the median of any divided highway or on or across any portion of a highway right of way
 23 under construction.

24 (b) On or across a railroad right of way.

25 (2) This section applies to:

26 (a) Snowmobiles.

27 (b) Class I *[all-terrain]* **off-highway** vehicles.

28 (c) Class II *[all-terrain]* **off-highway** vehicles that are not properly equipped for operation on a
 29 highway.

30 (d) Class III *[all-terrain]* **off-highway** vehicles.

31 (3) Exemptions from this section are established under ORS 821.200.

32 (4) In addition to penalties provided by this section, the operator or owner of a snowmobile[,]
 33 **or** Class I, Class II or Class III *[all-terrain]* **off-highway** vehicle may be liable as provided under
 34 ORS 821.310.

35 (5) The offense described in this section, unlawful operation of an off-road vehicle on a highway
 36 or railroad, is a Class B traffic violation.

37 **SECTION 31.** ORS 821.191 is amended to read:

38 821.191. (1) Notwithstanding any other provision of law, a person may operate a Class I *[all-*
 39 *terrain]* **off-highway** vehicle on the highways of this state if:

40 (a) The person is using the *[all-terrain]* **off-highway** vehicle for transportation between ranching
 41 or farming headquarters, agricultural fields or pastures;

42 (b) The person holds a valid driver license;

43 (c) The person complies with posted speed limits, but in no event exceeds a speed of 20 miles
 44 per hour;

45 (d) The person operates the *[all-terrain]* **off-highway** vehicle as closely as is practicable to the

1 right-hand edge of the highway, including shoulders, if any;

2 (e) The [*all-terrain*] **off-highway** vehicle is equipped with a lighted headlight and taillight; and

3 (f) The [*all-terrain*] **off-highway** vehicle displays a slow-moving vehicle emblem described under
4 ORS 815.060.

5 (2) A person commits the offense of unlawful operation of a Class I [*all-terrain*] **off-highway**
6 vehicle used for agricultural purposes if the person operates a Class I [*all-terrain*] **off-highway** ve-
7 hicle on a highway in violation of subsection (1) of this section.

8 (3) The offense described in subsection (2) of this section, unlawful operation of a Class I [*all-*
9 *terrain*] **off-highway** vehicle used for agricultural purposes, is a Class D traffic violation.

10 **SECTION 32.** ORS 821.192 is amended to read:

11 821.192. (1) A person commits the offense of operating an [*all-terrain*] **off-highway** vehicle in
12 violation of posted restrictions if the person operates an [*all-terrain*] **off-highway** vehicle on public
13 lands at a time when the lands are closed to [*all-terrain*] **off-highway** vehicles or operation of the
14 vehicles is otherwise restricted, and notice of the restrictions has been posted by an agency with
15 jurisdiction to impose the restrictions.

16 (2) The offense described in this section, operating an [*all-terrain*] **off-highway** vehicle in vio-
17 lation of posted restrictions, is a Class B traffic violation.

18 **SECTION 33.** ORS 821.195 is amended to read:

19 821.195. (1) A person commits the offense of operating an [*all-terrain*] **off-highway** vehicle
20 without [*a*] **an access** permit [*and a decal*] if the person operates an [*all-terrain*] **off-highway** vehicle
21 without [*a*] **an access** permit [*and a decal*] in an area or on a trail designated by the appropriate
22 authority as open to [*all-terrain*] **off-highway** vehicles only if they have **access** permits [*and*
23 *decals*].

24 (2) This section does not apply to:

25 (a) An [*all-terrain*] **off-highway** vehicle owned and operated by a resident of another state if the
26 other state grants a similar exemption for [*all-terrain*] **off-highway** vehicles owned and operated by
27 residents of Oregon and if the vehicle has not been operated in this state for more than 60 consec-
28 utive days; or

29 (b) An [*all-terrain*] **off-highway** vehicle owned and operated by the United States, this state or
30 any other state or any political subdivision of the United States or of a state.

31 (3) The offense described in this section, operating an [*all-terrain*] **off-highway** vehicle without
32 [*a*] **an access** permit [*and a decal*], is a Class C traffic violation.

33 **SECTION 34.** ORS 821.200 is amended to read:

34 821.200. This section establishes exemptions from the limitations placed on the use of
35 snowmobiles and [*all-terrain*] **off-highway** vehicles under ORS 821.190. The prohibitions and penal-
36 ties under ORS 821.190 do not apply when a snowmobile or [*all-terrain*] **off-highway** vehicle that
37 qualifies for the exemption from equipment requirements under ORS 821.010 is being operated as
38 described under any of the following:

39 (1) A person may lawfully cross a highway or railroad right of way while operating a
40 snowmobile or [*all-terrain*] **off-highway** vehicle if the person complies with all of the following:

41 (a) The crossing must be made at an angle of approximately 90 degrees to the direction of the
42 highway or railroad right of way.

43 (b) The crossing must be made at a place where no obstruction prevents a quick and safe
44 crossing.

45 (c) The vehicle must be brought to a complete stop before entering the highway or railroad right

1 of way.

2 (d) The operator of the vehicle must yield the right of way to vehicles using the highway or
3 equipment using the railroad tracks.

4 (e) The crossing of a railroad right of way must be made at an established public railroad
5 crossing.

6 (f) The crossing of a highway must be made at a place that is more than 100 feet from any
7 highway intersection.

8 (g) If the operator of a snowmobile is under 12 years of age, a person who is 18 years of age
9 or older must accompany the operator either as a passenger or as the operator of another
10 snowmobile that is in proximity to the younger operator.

11 (h) If the operator of a Class I [*all-terrain*] **off-highway** vehicle is under 12 years of age, a per-
12 son who is 18 years of age or older must accompany the operator either as a passenger, if the ve-
13 hicle is designed to carry passengers, or on a separate Class I [*all-terrain*] **off-highway** vehicle.

14 (2) A snowmobile or [*all-terrain*] **off-highway** vehicle may be lawfully operated upon a highway
15 under any of the following circumstances:

16 (a) Where the highway is completely covered with snow or ice and has been closed to motor
17 vehicle traffic during winter months.

18 (b) For purposes of loading or unloading when such operation is performed with safety and
19 without causing a hazard to vehicular traffic approaching from either direction on the highway.

20 (c) Where the highway is posted to permit snowmobiles or [*all-terrain*] **off-highway** vehicles.

21 (d) In an emergency during the period of time when and at locations where snow upon the
22 highway renders travel by automobile impractical.

23 (e) When traveling along a designated snowmobile or [*all-terrain*] **off-highway** vehicle trail.

24 (3) It shall be lawful to operate a snowmobile or [*all-terrain*] **off-highway** vehicle upon a rail-
25 road right of way under any of the following circumstances:

26 (a) Where the right of way is posted to permit the operation.

27 (b) In an emergency.

28 (c) When the snowmobile or [*all-terrain*] **off-highway** vehicle is operated by an officer or em-
29 ployee or authorized contractor or agent of a railroad.

30 **SECTION 35.** ORS 821.202 is amended to read:

31 821.202. (1) A person commits the offense of failure of a Class I or Class III [*all-terrain*] **off-**
32 **highway** vehicle operator or passenger to wear a motorcycle helmet if the person is under 18 years
33 of age, operates or rides on a Class I or Class III [*all-terrain*] **off-highway** vehicle on premises open
34 to the public and is not wearing a motorcycle helmet.

35 (2) The requirement to wear a motorcycle helmet does not apply if the [*all-terrain*] **off-highway**
36 vehicle is:

37 (a) Used exclusively in farming, agricultural or forestry operations or used by persons licensed
38 under ORS chapter 571 exclusively for nursery or Christmas tree growing operations.

39 (b) Being used on land owned or leased by the owner of the vehicle.

40 (3) The offense described in this section, failure of a Class I or Class III [*all-terrain*] **off-highway**
41 vehicle operator or passenger to wear a motorcycle helmet, is a Class D traffic violation.

42 **SECTION 36.** ORS 821.203 is amended to read:

43 821.203. (1) A person commits the offense of endangering a Class I or Class III [*all-terrain*] **off-**
44 **highway** vehicle operator or passenger if:

45 (a) The person is operating a Class I or Class III [*all-terrain*] **off-highway** vehicle on premises

1 open to the public and the person carries another person on the Class I or Class III [*all-terrain*]
2 **off-highway** vehicle who is under 18 years of age and is not wearing a motorcycle helmet; or

3 (b) The person is the parent, legal guardian or person with legal responsibility for the safety
4 and welfare of a child under 18 years of age and the child operates or rides on a Class I or Class
5 III [*all-terrain*] **off-highway** vehicle on premises open to the public without wearing a motorcycle
6 helmet.

7 (2) The requirement to wear a motorcycle helmet does not apply if the [*all-terrain*] **off-highway**
8 vehicle is:

9 (a) Used exclusively in farming, agricultural or forestry operations or used by persons licensed
10 under ORS chapter 571 exclusively for nursery or Christmas tree growing operations.

11 (b) Being used on land owned or leased by the owner of the vehicle.

12 (3) The offense described in this section, endangering a Class I or Class III [*all-terrain*] **off-**
13 **highway** vehicle operator or passenger, is a Class D traffic violation.

14 **SECTION 37.** ORS 821.220 is amended to read:

15 821.220. (1) A person commits the offense of operating an improperly equipped [*all-terrain*] **off-**
16 **highway** vehicle if the person operates any [*all-terrain*] **off-highway** vehicle without the following
17 equipment:

18 (a) An adequate braking device that may be operated either by hand or foot.

19 (b) An adequate and operating muffling device that shall be maintained in good working order
20 and in constant operation and shall effectively blend the exhaust and motor noise in such a manner
21 so as to comply with all applicable noise emission standards established by the Department of En-
22 vironmental Quality.

23 (2) The Department of Environmental Quality shall establish procedures for testing of noise
24 levels consistent with this section.

25 (3) [*All-terrain*] **Off-highway** vehicles used in organized racing events in an area designated for
26 that purpose shall comply with the motor sports vehicles and facilities regulations of the Depart-
27 ment of Environmental Quality.

28 (4) In addition to other penalties provided by this section, the owner or operator of an [*all-*
29 *terrain*] **off-highway** vehicle may be liable as provided under ORS 821.310.

30 (5) The offense described in this section, operating an improperly equipped [*all-terrain*] **off-**
31 **highway** vehicle, is a Class C traffic violation.

32 **SECTION 38.** ORS 821.230 is amended to read:

33 821.230. (1) A person commits the offense of operating an [*all-terrain*] **off-highway** vehicle
34 without proper lighting equipment if the person operates an [*all-terrain*] **off-highway** vehicle during
35 times when limited visibility conditions exist and the vehicle is not equipped with a taillight and a
36 lighted headlight.

37 (2) Nothing in this section requires an [*all-terrain*] **off-highway** vehicle to be equipped with a
38 headlight or taillight if the vehicle is not operated during times when limited visibility conditions
39 exist.

40 (3) The offense described in subsection (1) of this section, operating an [*all-terrain*] **off-highway**
41 vehicle without proper lighting equipment, is a Class C traffic violation.

42 **SECTION 39.** ORS 821.240 is amended to read:

43 821.240. (1) A person commits the offense of operating a snowmobile or an [*all-terrain*] **off-**
44 **highway** vehicle while carrying a firearm or bow if the person operates any snowmobile or [*all-*
45 *terrain*] **off-highway** vehicle with a firearm in the possession of the person, unless the firearm is

1 unloaded, or with a bow, unless all arrows are in a quiver.

2 (2) The offense described in this section, operating a snowmobile or an *[all-terrain]* **off-highway**
 3 vehicle while carrying a firearm or bow, is a Class B traffic violation.

4 **SECTION 40.** ORS 821.250 is amended to read:

5 821.250. (1) A person commits the offense of permitting dangerous operation of a snowmobile or
 6 an *[all-terrain]* **off-highway** vehicle if the person is the owner or other person having charge or
 7 control of a snowmobile or an *[all-terrain]* **off-highway** vehicle and the person knowingly authorizes
 8 or permits any person to operate the vehicle across a highway who is:

9 (a) Incapable by reason of age, physical or mental disability; or

10 (b) Under the influence of intoxicating liquor, inhalants or controlled substances.

11 (2) In addition to other penalties provided by this section, operators or owners may be liable
 12 as provided under ORS 821.310.

13 (3) The offense described in this section, permitting dangerous operation of a snowmobile or an
 14 *[all-terrain]* **off-highway** vehicle, is a Class A traffic violation.

15 **SECTION 41.** ORS 821.260 is amended to read:

16 821.260. (1) A person commits the offense of hunting or harassing animals from a snowmobile
 17 or an *[all-terrain]* **off-highway** vehicle if the person does any of the following:

18 (a) Operates a snowmobile or an *[all-terrain]* **off-highway** vehicle in a manner so as to run down,
 19 harass, chase or annoy any game animals or birds or domestic animals.

20 (b) Hunts from a snowmobile or an *[all-terrain]* **off-highway** vehicle.

21 (2) This section does not apply to:

22 (a) Officers of the State Fish and Wildlife Commission.

23 (b) Persons under contract to the commission in the performance of their official duties.

24 (c) Individuals who have secured a permit from the commission for purposes of research and
 25 study.

26 (3) In addition to other penalties provided by this section, operators or owners of a snowmobile
 27 or an *[all-terrain]* **off-highway** vehicle may be liable as provided under ORS 821.310.

28 (4) The offense described in this section, hunting or harassing animals from a snowmobile or an
 29 *[all-terrain]* **off-highway** vehicle, is a Class C misdemeanor.

30 **SECTION 42.** ORS 821.280 is amended to read:

31 821.280. (1) A person commits the offense of committing unlawful damage with a snowmobile[,] **or**
 32 **or** Class I or Class II *[all-terrain]* **off-highway** vehicle if the person operates any snowmobile[,] **or**
 33 Class I or Class II *[all-terrain]* **off-highway** vehicle in any area or in such a manner so as to expose
 34 the underlying soil or vegetation or to injure, damage or destroy trees or growing crops.

35 (2) In addition to other penalties provided by this section, the owner or operator of a
 36 snowmobile[,] **or** Class I or Class II *[all-terrain]* **off-highway** vehicle may be liable as provided under
 37 ORS 821.310.

38 (3) The offense described in this section, committing unlawful damage with a snowmobile[,] **or**
 39 Class I or Class II *[all-terrain]* **off-highway** vehicle, is a Class B traffic violation.

40 **SECTION 43.** ORS 821.285 is amended to read:

41 821.285. (1) A person commits the offense of committing unlawful damage with a Class III *[all-*
 42 *terrain]* **off-highway** vehicle if the person operates any Class III *[all-terrain]* **off-highway** vehicle in
 43 any area or in such a manner so as to injure, damage or destroy trees or growing crops.

44 (2) In addition to other penalties provided by this section, the owner or operator of a Class III
 45 *[all-terrain]* **off-highway** vehicle may be liable as provided under ORS 821.310.

1 (3) The offense described in this section, committing unlawful damage with a Class III
2 *[all-terrain]* **off-highway** vehicle, is a Class B traffic violation.

3 **SECTION 44.** ORS 821.290 is amended to read:

4 821.290. (1) A person commits the offense of dangerous operation of a snowmobile or an *[all-*
5 *terrain]* **off-highway** vehicle if the person does any of the following:

6 (a) Operates a snowmobile or an *[all-terrain]* **off-highway** vehicle at a rate of speed greater than
7 reasonable and proper under the existing conditions.

8 (b) Operates a snowmobile or an *[all-terrain]* **off-highway** vehicle in a negligent manner so as
9 to endanger the person or property of another or to cause injury or damage to either.

10 (2) In addition to other penalties provided by this section, the owner or operator of a
11 snowmobile or an *[all-terrain]* **off-highway** vehicle may be liable as provided under ORS 821.310.

12 (3) The offense described in this section, dangerous operation of a snowmobile or an
13 *[all-terrain]* **off-highway** vehicle, is a Class B traffic violation.

14 **SECTION 45.** ORS 821.292 is amended to read:

15 821.292. (1) A person commits the offense of endangering a Class III *[all-terrain]* **off-highway**
16 vehicle operator if the person is the parent, legal guardian or person with legal responsibility for
17 the safety and welfare of a child at least seven years of age but under 12 years of age and the child
18 operates a Class III *[all-terrain]* **off-highway** vehicle on public lands and:

19 (a) Does not have a Class III *[all-terrain]* **off-highway** vehicle operator permit issued under
20 *[ORS 390.575]* **ORS 390.570**; and

21 (b) Is not accompanied by the parent, legal guardian or person with legal responsibility who is
22 on the same vehicle, if the vehicle is designed to carry passengers, or on a separate Class III *[all-*
23 *terrain]* **off-highway** vehicle.

24 (2) A person commits the offense of endangering a Class III *[all-terrain]* **off-highway** vehicle
25 operator if the person is the parent, legal guardian or person with legal responsibility for the safety
26 and welfare of a child who is under seven years of age and the child operates a Class III
27 *[all-terrain]* **off-highway** vehicle on public lands.

28 (3) The offense described in this section, endangering a Class III *[all-terrain]* **off-highway** vehi-
29 cle operator, is a Class C traffic violation.

30 **SECTION 46.** ORS 821.295 is amended to read:

31 821.295. (1) A person commits the offense of operating a Class II or Class III *[all-terrain]* **off-**
32 **highway** vehicle in a prohibited snow area if the person operates a Class II or Class III
33 *[all-terrain]* **off-highway** vehicle on a groomed trail or a designated snowmobile or cross country ski
34 trail or area during a designated snow use period.

35 (2) This section does not apply to emergency vehicles or to trail grooming equipment.

36 (3) The offense described in this section, operating a Class II or Class III *[all-terrain]* **off-**
37 **highway** vehicle in a prohibited snow area, is a Class D traffic violation.

38 **SECTION 47.** ORS 821.310 is amended to read:

39 821.310. The operator or the owner of a snowmobile or *[all-terrain]* **off-highway** vehicle used
40 with the permission of the owner shall be liable for three times the amount of any damage to trees,
41 shrubs, growing crops or other property injured as the result of travel by such snowmobile or *[all-*
42 *terrain]* **off-highway** vehicle over the property involved. The liability under this section is in addi-
43 tion to any penalties provided in ORS 821.150, 821.190, 821.210 or 821.250 to 821.290.

44 **SECTION 48.** ORS 822.030, as amended by section 5, chapter 141, Oregon Laws 2001, is
45 amended to read:

1 822.030. (1) A bond or letter of credit required to qualify for a vehicle dealer certificate under
 2 ORS 822.020 or to qualify for renewal of a certificate under ORS 822.040 must comply with all of the
 3 following:

4 (a) The bond shall have a corporate surety licensed to do business within this state. A letter
 5 of credit shall be an irrevocable letter of credit issued by an insured institution, as defined in ORS
 6 706.008. The surety or institution shall notify the Department of Transportation if the bond or letter
 7 of credit is canceled for any reason. The surety or institution shall continue to be liable under the
 8 bond or letter of credit until the department receives the notice required by this paragraph, or until
 9 the cancellation date specified in the notice, whichever is later.

10 (b) The bond or letter of credit shall be executed to the State of Oregon.

11 (c) Except as otherwise provided in this paragraph, the bond or letter of credit shall be in the
 12 following sum:

13 (A) If the applicant is seeking a certificate to be a dealer exclusively in motorcycles, mopeds,
 14 Class I [*all-terrain*] **off-highway** vehicles or snowmobiles or any combination of those vehicles, the
 15 bond or letter of credit shall be for \$2,000.

16 (B) Except as provided in subparagraph (A) of this paragraph, if the applicant is seeking a cer-
 17 tificate to be a vehicle dealer, the bond or letter of credit shall be for \$40,000 for each year the
 18 certificate is valid.

19 (d) The bond or letter of credit described in this subsection shall be approved as to form by the
 20 Attorney General.

21 (e) The bond or letter of credit must be conditioned that the person issued the certificate shall
 22 conduct business as a vehicle dealer without fraud or fraudulent representation and without violat-
 23 ing any provisions of the vehicle code relating to vehicle registration, vehicle permits, the transfer
 24 or alteration of vehicles or the regulation of vehicle dealers.

25 (f) The bond or letter of credit must be filed and held in the office of the department.

26 (g) The vehicle dealer shall purchase a bond or letter of credit under this subsection annually
 27 on or before each anniversary of the issuance of the vehicle dealer's certificate.

28 (2) Any person shall have a right of action against a vehicle dealer, against the surety on the
 29 vehicle dealer's bond and against the letter of credit in the person's own name if the person suffers
 30 any loss or damage by reason of the vehicle dealer's fraud, fraudulent representations or violations
 31 of provisions of the vehicle code relating to:

32 (a) Vehicle registration;

33 (b) Vehicle permits;

34 (c) The transfer or alteration of vehicles; or

35 (d) The regulation of vehicle dealers.

36 (3) Notwithstanding subsection (2) of this section, the maximum amount available under a bond
 37 described in subsection (1)(c)(B) of this section for the payment of claims by persons other than re-
 38 tail customers of the dealer is \$20,000.

39 (4) If the certificate of a vehicle dealer is not renewed or is voluntarily or involuntarily can-
 40 celed, the sureties on the bond and the issuer of the letter of credit are relieved from liability that
 41 accrues after the department cancels the certificate.

42 **SECTION 49.** ORS 822.033, as amended by section 128, chapter 655, Oregon Laws 2003, is
 43 amended to read:

44 822.033. A certificate of insurance required to qualify for a vehicle dealer certificate under ORS
 45 822.020 or to qualify for renewal of a certificate under ORS 822.040 must comply with all of the

1 following:

2 (1) The certificate shall:

3 (a) Be issued by an insurance carrier licensed to do business within this state;

4 (b) Show that the dealer is insured by a policy that provides the minimum limits of coverage
5 required under ORS 806.070;

6 (c) Show that the dealer is insured by a policy that provides for payment of judgments of the
7 type described in ORS 806.040;

8 (d) Show that the dealer is insured by a policy covering all vehicles manufactured, owned, op-
9 erated, used or maintained by or under the control of the dealer;

10 (e) Show that the dealer is insured by a policy that also covers all other persons who, with the
11 consent of the dealer, use or operate vehicles manufactured, owned or maintained by or under the
12 control of the dealer;

13 (f) Be dated as of the date of the motor vehicle policy for which it is given;

14 (g) Contain the policy number; and

15 (h) Provide that the insurer shall give the Department of Transportation written notice of any
16 cancellation of the policy and that the insurer shall continue to be liable under the policy until the
17 department receives the notice required by this paragraph or until the cancellation date specified
18 in the notice, whichever is later.

19 (2) The certificate of insurance must be filed and held in the office of the department.

20 (3) A dealer is exempt from the requirement to file the certificate of insurance described in this
21 section if the dealer certifies, in such form as may be required by the department, that the dealer
22 will be dealing exclusively in one or more of the following:

23 (a) Antique motor vehicles issued permanent registration under ORS 805.010;

24 (b) Farm trailers;

25 (c) Farm tractors;

26 (d) Implements of husbandry; or

27 (e) Snowmobiles[,] or Class I or Class III [*all-terrain*] **off-highway** vehicles.

28 **SECTION 50.** ORS 822.605 is amended to read:

29 822.605. (1) A person commits the offense of false swearing relating to regulation of vehicle re-
30 lated businesses if the person knowingly makes any false affidavit or knowingly swears or affirms
31 falsely to any matter or thing relating to the regulation of vehicle dealers, wreckers, towing busi-
32 nesses, vehicle transporters, snowmobile dealers, Class I [*all-terrain*] **off-highway** vehicle dealers,
33 commercial driver training schools or driver training instructors under the vehicle code.

34 (2) The offense described in this section, false swearing relating to regulation of vehicle related
35 businesses, is a Class C felony.

36 **SECTION 51. ORS 390.575 and 821.142 are repealed.**

37