

☐ IDAPA RULE ☐ IDAPA FEE ☐ BOARD ACTION REQUIRED
☐ BOARD POLICY ☒ INFO ONLY, NO ACTION REQUIRED

AGENDA
Idaho Park and Recreation Board Meeting
November 13 & 14, 2013
IDPR Headquarters
Summit Conference Room
Boise, ID 83716

AGENDA ITEM: **FY 2014 1st Quarter Financial Statements**

ACTION REQUIRED: **Information Only**

PRESENTER: **Steve Martin**

PRESENTATION

Attached are the first quarter financial statements for FY 2014. The information presented reflects an overview of the department's revenues, expenditures and cash balances along with detailed schedules for the Recreational Vehicle Fund (0250.05) and Passport Program. Also included for this quarter only is a summary of the endowment fund distributions

- Page 2 – FY 2014 Financial Statement / Budget Status as of 09/30/2013
- Pages 3-5 – FY 2014 Park Operations Revenues / Expenditures
- Pages 6-12 – FY 2014 Cash Balances as of 09/30/2013
- Page 13 – FY 2014 Recreational Vehicle Fund Budget Status as of 09/30/2013
- Page 14 – FY 2014 Passport Program Revenue
- Page 15 – FY 2014 Endowment Fund Distributions

STAFF RECOMMENDATIONS:

This agenda item is for information only.

IDAHO DEPARTMENT OF PARKS & RECREATION

Fiscal Year 2014 – 1st Quarter Financial Statements

July 1, 2013 – September 30, 2013

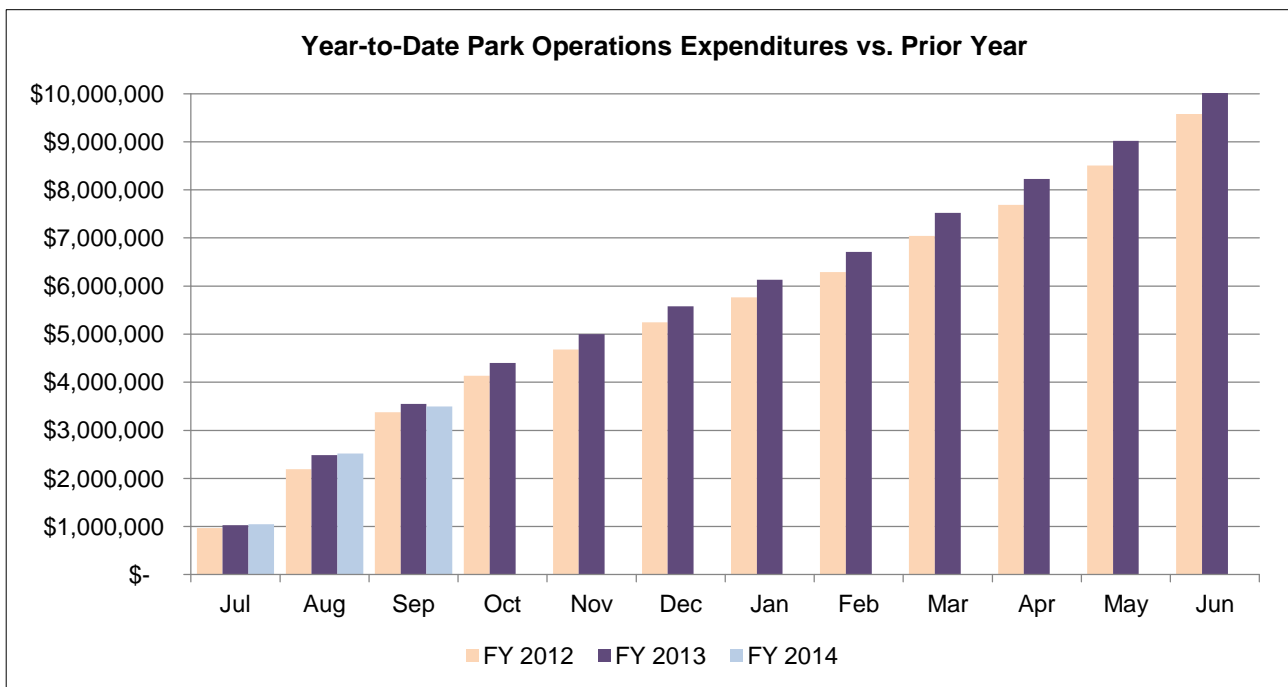
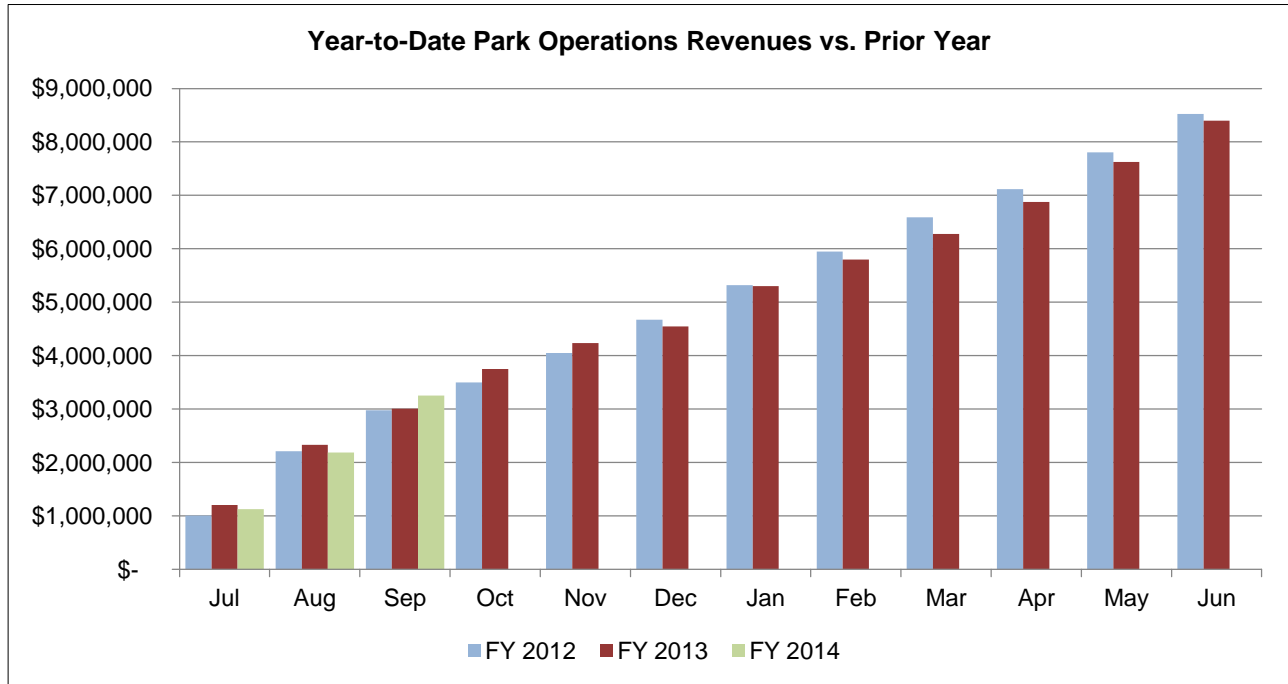


Submitted By
Steve Martin
FINANCIAL OFFICER

**Idaho Department of Parks and Recreation
FY 2014 Financial Statement / Budget Status
September 30, 2013**

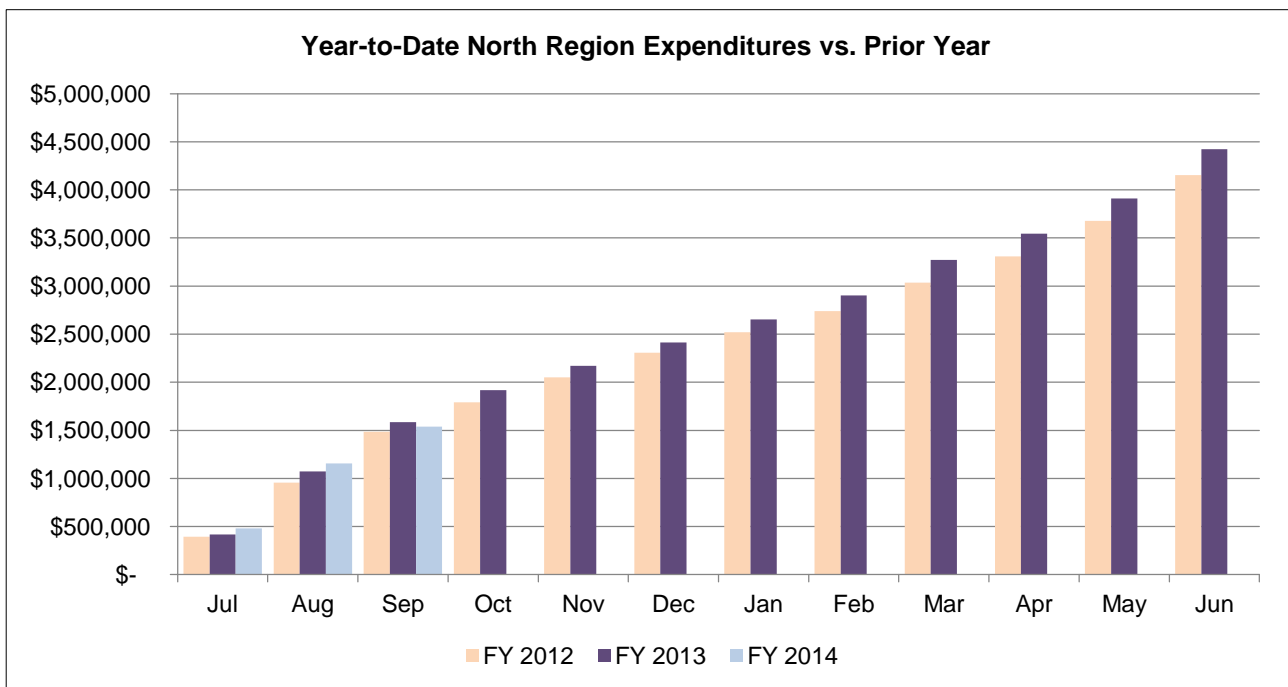
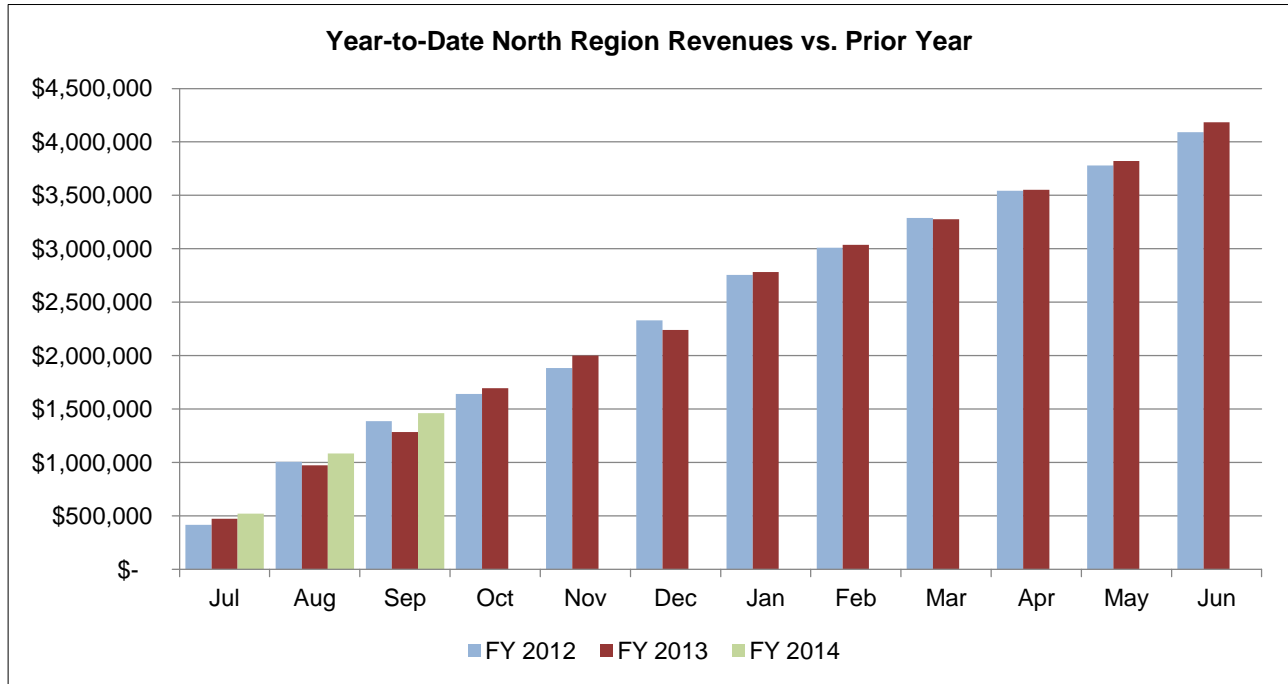
Program/Type	Appropriation	Expenditures	Encumbrance	Balance	% Obligated
Management Services					
Personnel	\$ 2,546,500	\$ 595,287	\$ -	\$ 1,951,213	23.4%
Operating	1,712,800	616,803	-	1,095,997	36.0%
Capital	147,200	-	-	147,200	0.0%
Trustee	8,109,595	804,667	3,173,919	4,131,009	49.1%
Subtotal	\$ 12,516,095	\$ 2,016,757	\$ 3,173,919	\$ 7,325,420	41.5%
Park Operations					
Personnel	\$ 8,658,500	\$ 2,761,104	\$ -	\$ 5,897,396	31.9%
Operating	5,214,500	1,558,984	-	3,655,516	29.9%
Capital	1,557,158	32,551	-	1,524,607	2.1%
Trustee	1,427,500	23,660	-	1,403,840	1.7%
Subtotal	\$ 16,857,658	\$ 4,376,298	\$ -	\$ 12,481,360	26.0%
Capital Projects					
Personnel	\$ -	\$ -	\$ -	\$ -	
Operating	-	-	-	-	
Capital	9,921,603	1,149,625	1,095,504	7,676,473	22.6%
Trustee	-	-	-	-	
Subtotal	\$ 9,921,603	\$ 1,149,625	\$ 1,095,504	\$ 7,676,473	22.6%
Total	\$ 39,295,356	\$ 7,542,681	\$ 4,269,423	\$ 27,483,253	30.1%

**Idaho Department of Parks and Recreation
Park Operations - All Funds
Year-to-Date Revenues and Expenditures
September 30, 2013**



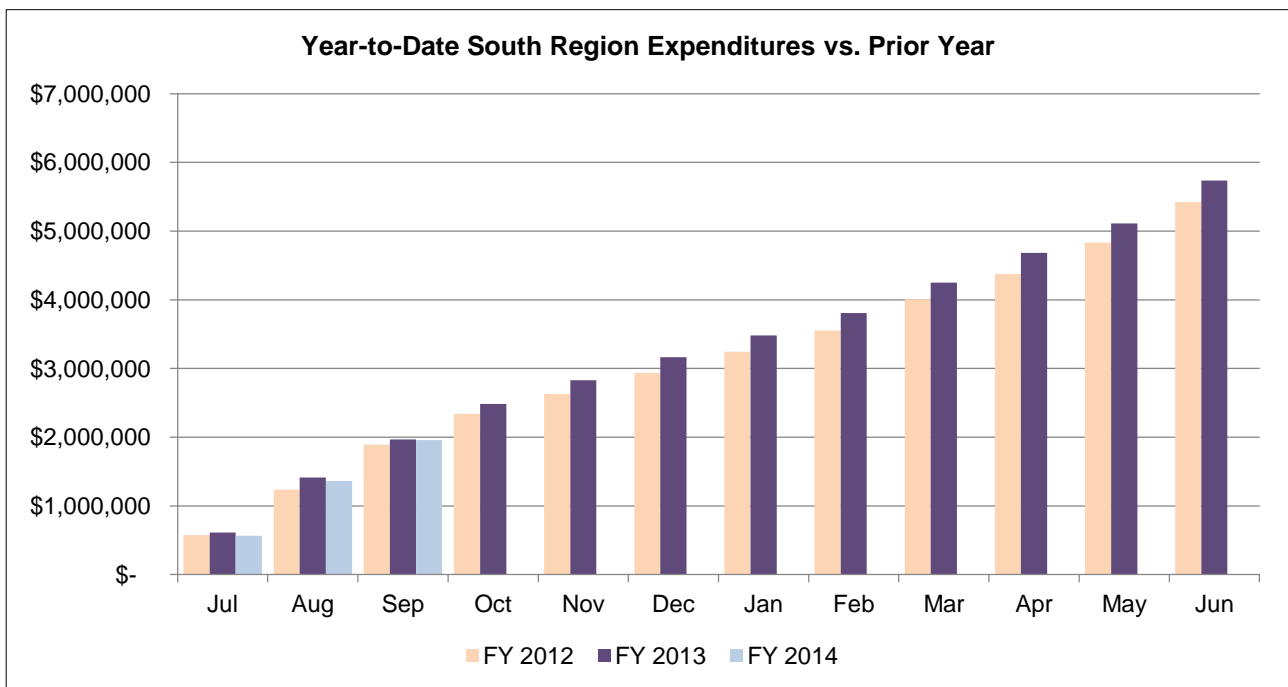
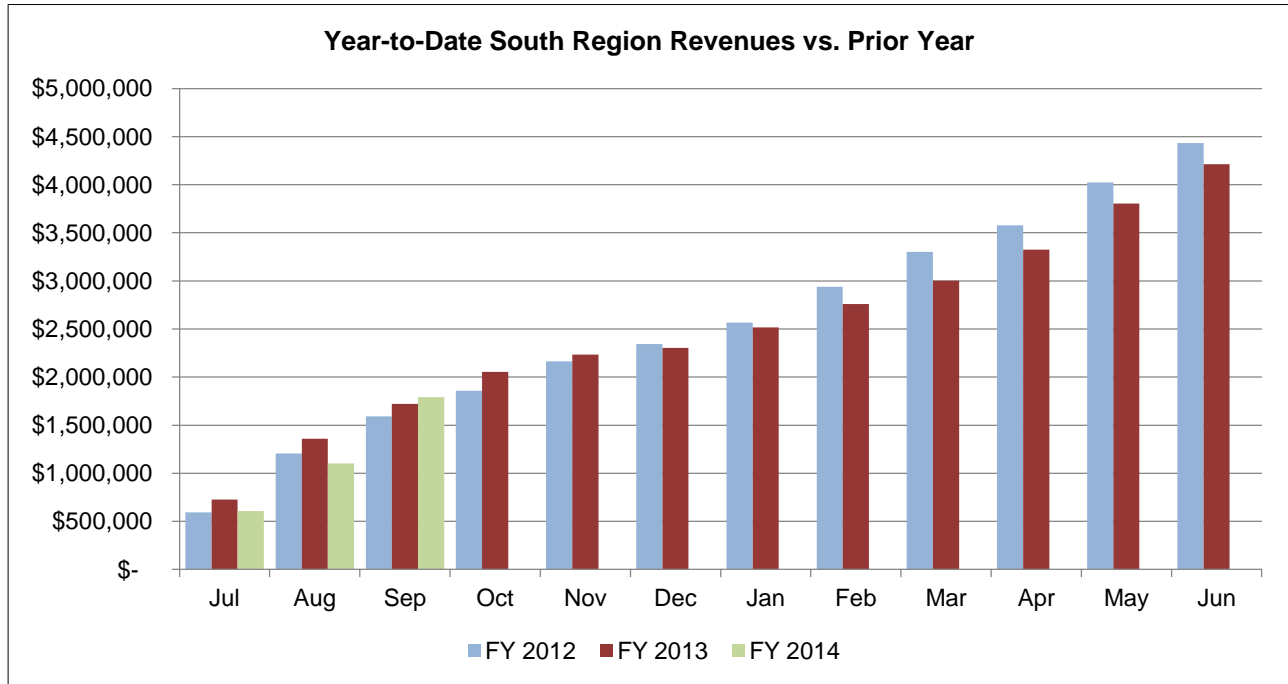
- All Park Operations fiscal year-to-date revenues are up \$244,600 (or 8.1%) compared to FY 2013
- All Park Operations fiscal year-to-date expenditures are down \$53,400 (or - 1.5%) compared to FY 2013

**Idaho Department of Parks and Recreation
North Region - All Funds
Year-to-Date Revenues and Expenditures
September 30, 2013**



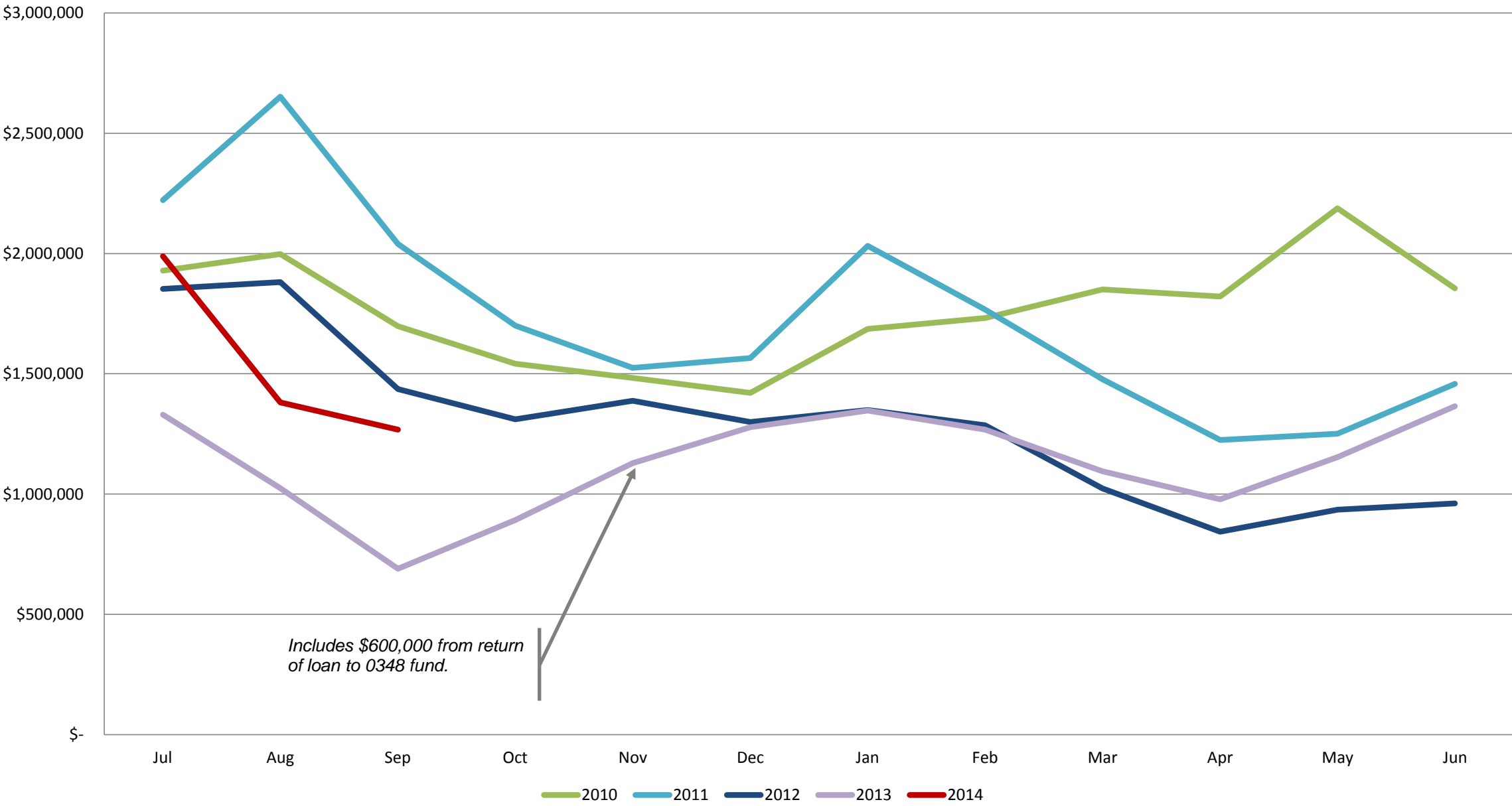
- North Region fiscal year-to-date revenues are up \$175,000 (or 13.6%) compared to FY 2013
- North Region fiscal year-to-date expenditures are down \$44,900 (or - 2.8%) compared to FY 2013

**Idaho Department of Parks and Recreation
South Region - All Funds
Year-to-Date Revenues and Expenditures
September 30, 2013**

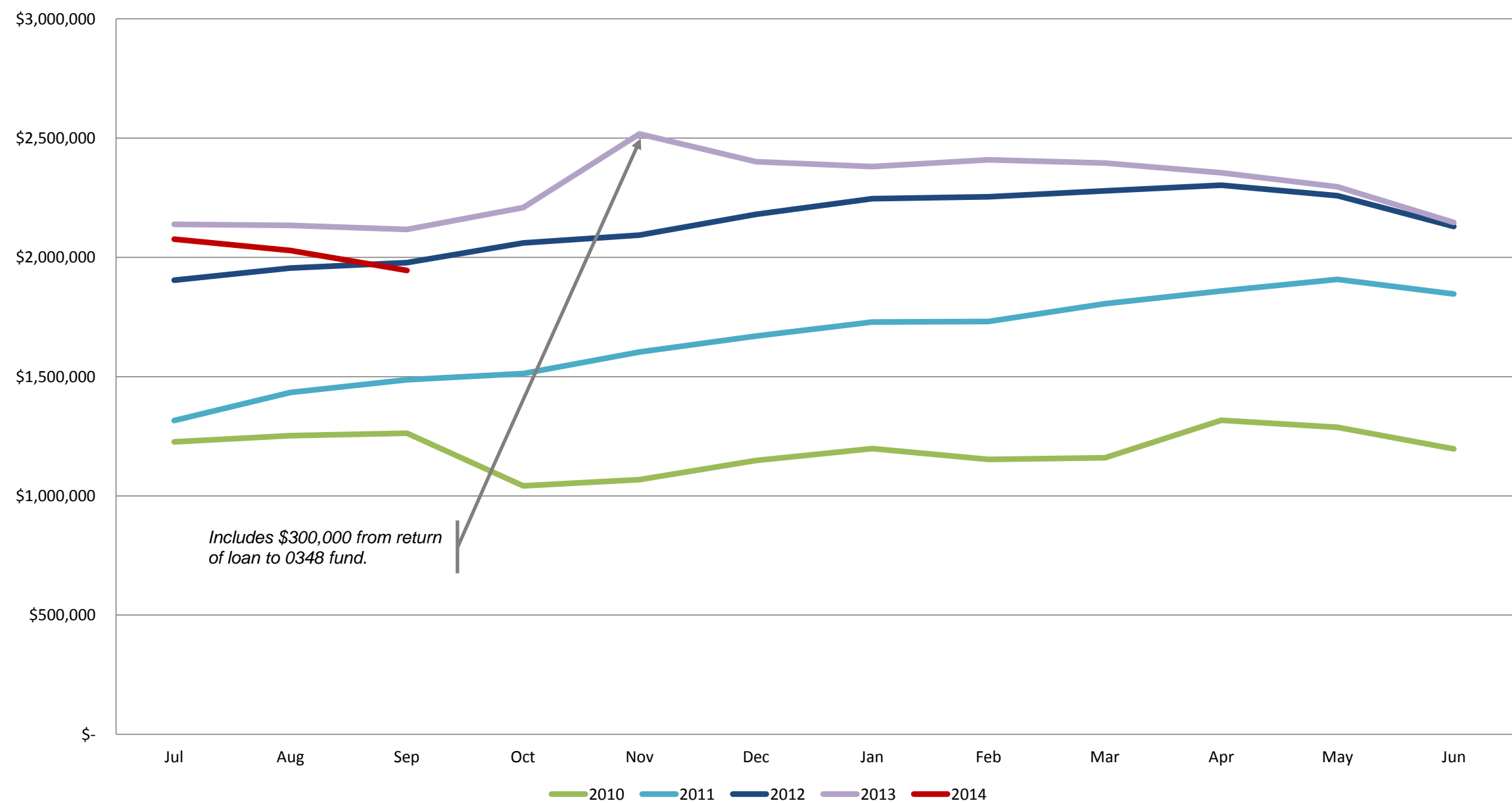


- South Region fiscal year-to-date revenues are up \$69,600 (or 4.0%) compared to FY 2013
- South Region fiscal year-to-date expenditures are down \$8,500 (or - 0.4%) compared to FY 2013

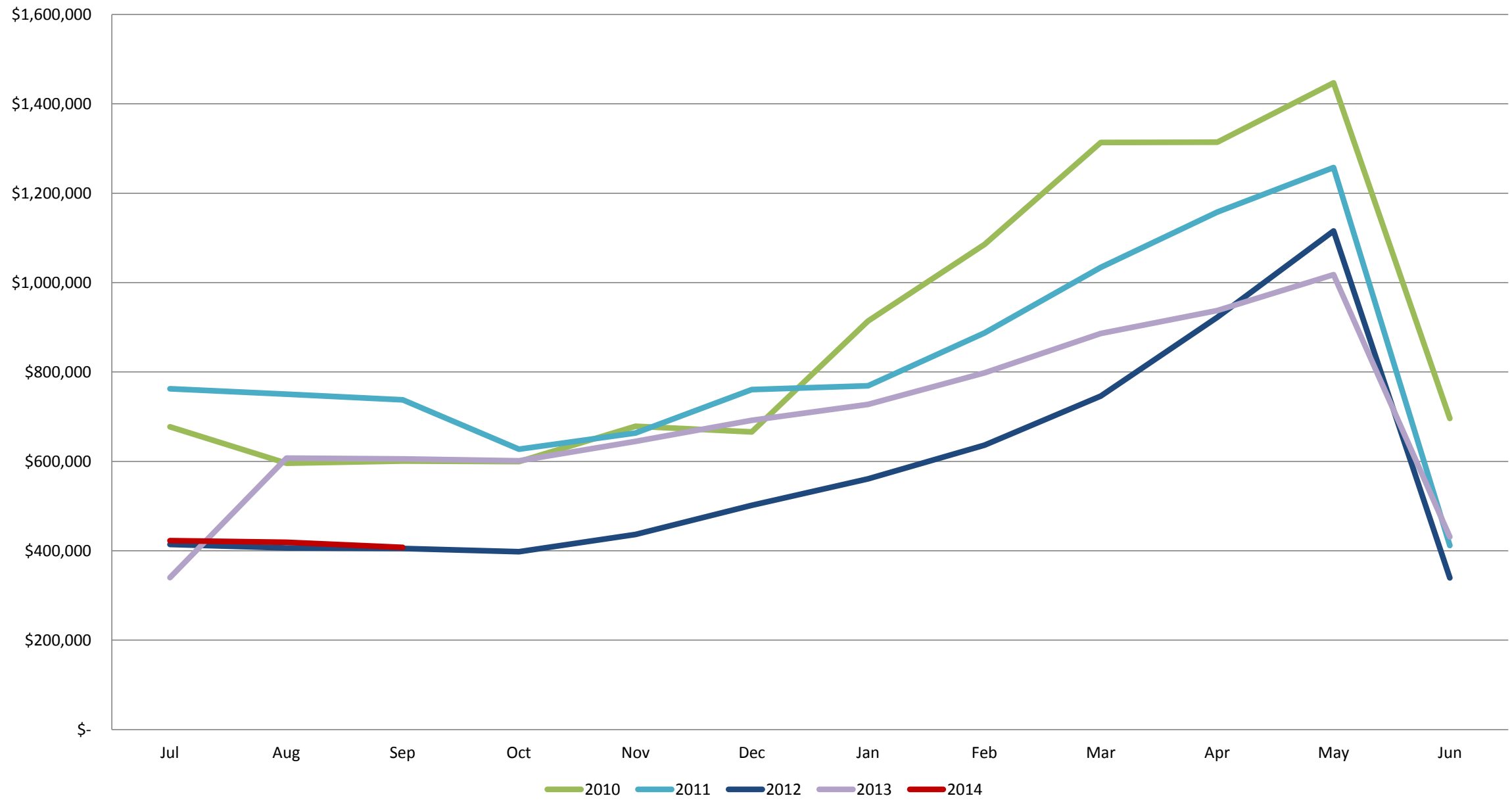
**Idaho Department of Parks and Recreation
Cash Balance Trend - Parks and Recreation Fund (0243)
September 30, 2013**



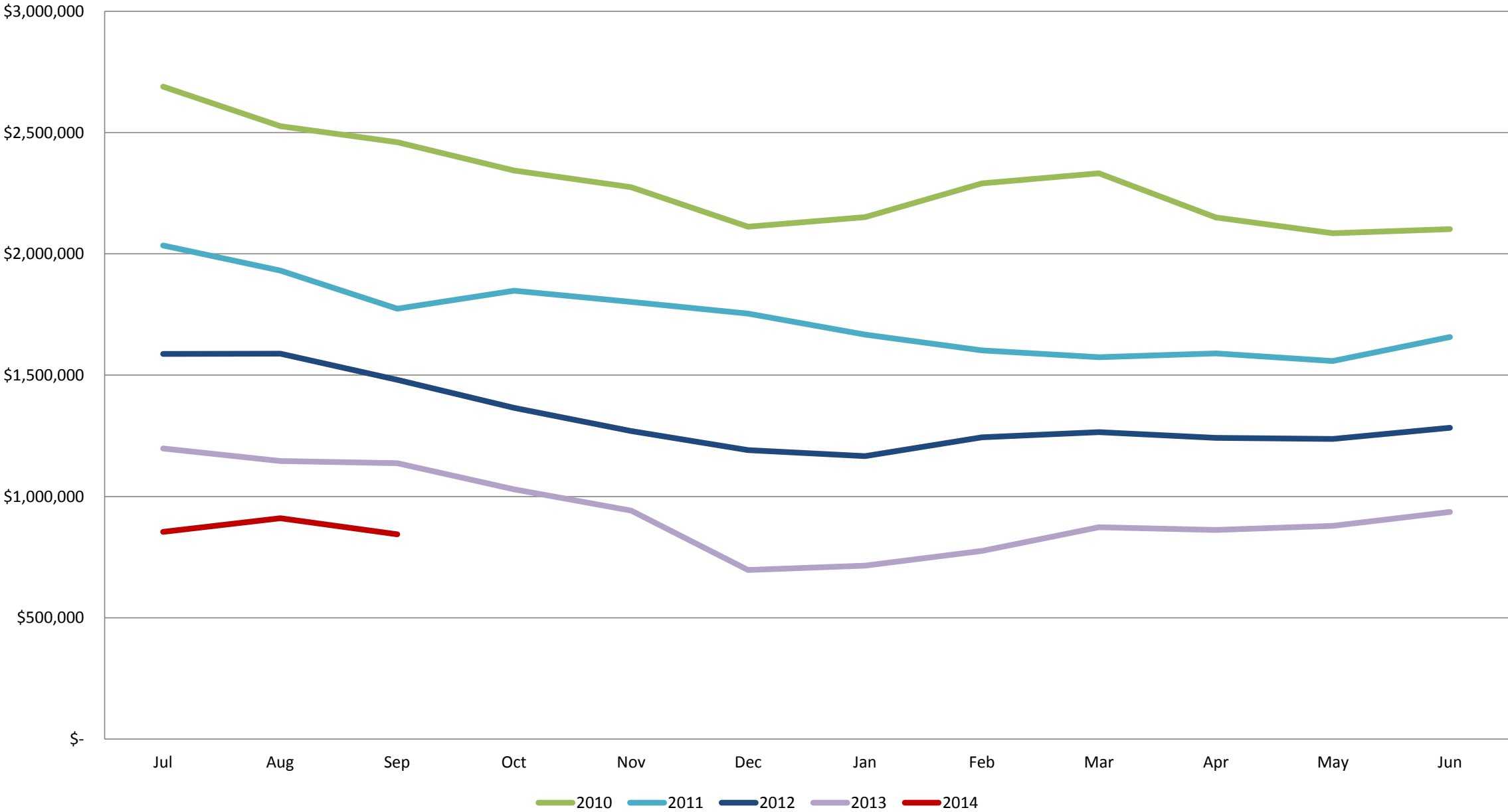
Idaho Department of Parks and Recreation
Cash Balance Trend - Recreational Fuels Capital Improvement Fund (0247.01)
September 30, 2013



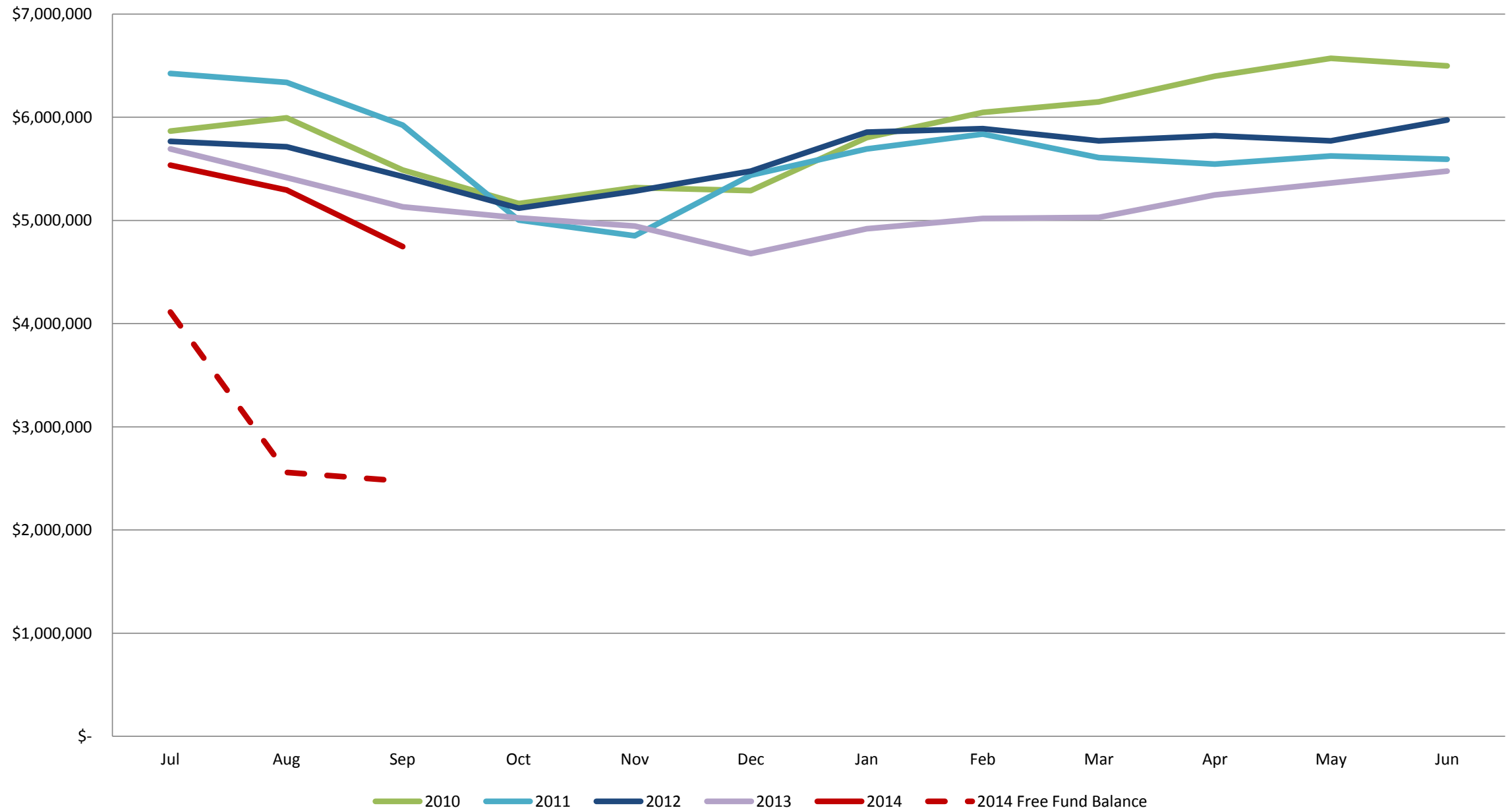
**Idaho Department of Parks and Recreation
Cash Balance Trend - Snowmobile Fund (0250.03)
September 30, 2013**



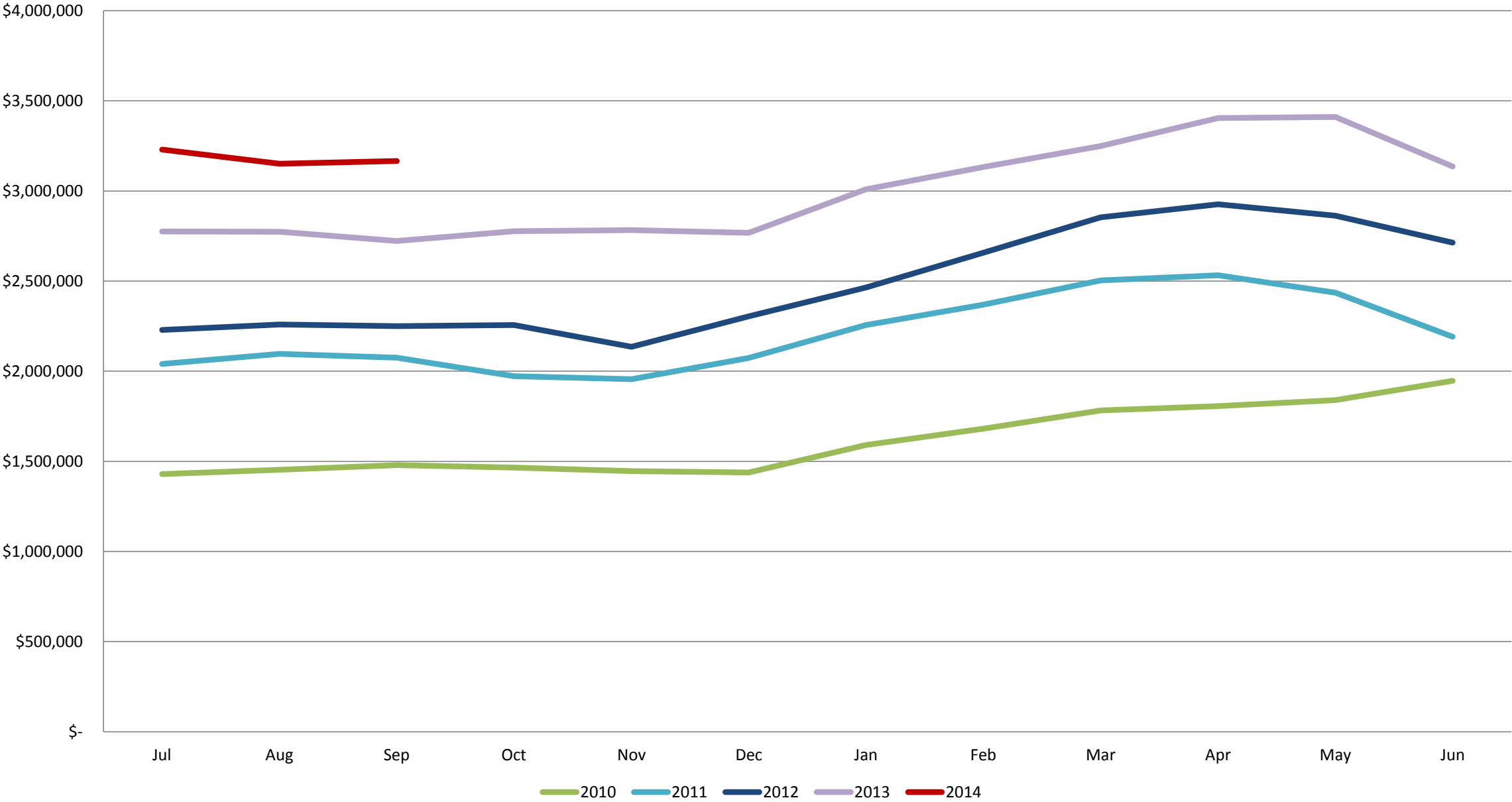
**Idaho Department of Parks and Recreation
Cash Balance Trend - Motorbike / OHV Fund (0250.04)
September 30, 2013**



**Idaho Department of Parks and Recreation
Cash Balance Trend - Registration RV Fund (0250.05)
September 30, 2013**



Idaho Department of Parks and Recreation
Cash Balance Trend - Enterprise Fund (0410.01)
September 30, 2013



Idaho Department of Parks and Recreation
FY 2014 Statement of Cash Balances
as of September 30, 2013

Fund	Description	Beginning Balance	Cash Inflows	Cash Outflows	Cash Balance	Encumbrance	Unobligated Fund Balance
0125	Federal Indirect Cost Recovery	\$ 791,099	\$ 7,990	\$ (82,084)	\$ 717,005	\$ -	\$ 717,005
0150.01	Economic Recovery Reserve	3,394	-	-	3,394	-	3,394
0243	Parks and Recreation Fund	1,365,564	2,081,547	(2,179,562)	1,267,549	3,640	1,263,909
0243.02	Parks & Rec - Registration Administration	1,485,779	446,051	(303,872)	1,627,958	-	1,627,958
0243.03	Parks & Rec - Sawtooth License Plate	-	9,966	(9,966)	-	-	-
0243.04	Parks & Rec - Non-motorized Boating (Cutthroat Plate)	93,910	14,815	167	108,892	45,982	62,910
0243.05	Parks & Rec - Mountain Bike	36,041	5,382	-	41,423	10,238	31,186
0247.01	Recreational Fuels - Capital Improvement	2,146,217	306,148	(507,544)	1,944,821	28,803	1,916,018
0247.02	Recreational Fuels - Waterway Improvement	1,546,769	291,592	(205,583)	1,632,778	871,968	760,810
0247.03	Recreational Fuels - Off-road Motor Vehicles	1,289,612	291,592	(11,555)	1,569,649	1,008,359	561,290
0247.04	Recreational Fuels - Road & Bridge	808,389	153,349	(80,219)	881,520	405,064	476,456
0247.06	Recreational Fuels - Administration	331,556	236,608	(192,383)	375,781	-	375,781
0250.01	Registration - State Vessel	-	445,615	(445,615)	-	-	-
0250.02	Registration - Cross Country Ski	112,649	12,927	(8,696)	116,880	-	116,880
0250.03	Registration - Snowmobile	431,240	251,583	(275,433)	407,390	-	407,390
0250.04	Registration - Motorbike	935,594	155,449	(247,322)	843,721	826,473	17,248
0250.05	Registration - Recreational Vehicle	5,478,319	680,743	(1,412,737)	4,746,326	2,271,511	2,474,815
0348	Federal Grant Fund ¹	3,191	1,399,223	(926,361)	476,053	2,526,306	(2,050,252)
0349	Miscellaneous Revenue	237,492	47,152	(43,423)	241,221	-	241,221
0410.01	Enterprise	3,136,250	784,228	(753,901)	3,166,577	-	3,166,577
0496.01	Expendable Trust - Park Donations ²	340,979	38,668	(13,662)	365,985	-	365,985
0496.01	State Trust Outdoor Rec Enhancement ²	1,589	-	-	1,589	-	1,589
0496.02	Harriman Trust	223,805	36,176	(72,983)	186,998	-	186,998
0496.03	Park Land Trust	1,417,984	196,154	(51,757)	1,562,381	-	1,562,381
0496.05	Trail of the Coeur d'Alenes	86,907	179,020	(49,711)	216,216	-	216,216
Total		\$ 22,304,328	\$ 8,071,979	\$ (7,874,201)	\$ 22,502,106	\$ 7,998,342	\$ 14,503,764

Notes: ¹ Federal Grant Fund is now a borrowing limit and does not represent department cash

² 0496.01 Adjusted to reflect the State Trust Outdoor Recreation Enhancement (STORE) Act Funds (see 67-4247)

CASH BALANCE reconciles to DAFR 8190 - Statement of Cash Position

Idaho Department of Parks and Recreation
FY 2014 Recreational Vehicle Fund (0250.05)
as of September 30, 2013

<i>RV Fund Used for Personnel & Operating Expenditures</i>		Allocation	Expenditures	Encumbrances	Allocation Remaining	% Obligated
Park Operations						
Park Administration	Personnel	\$ 191,683	\$ 15,867	\$ -	\$ 175,816	8.3%
Priest Lake	Personnel	185,344	49,314	-	136,030	26.6%
Farragut	Personnel	329,802	87,637	-	242,165	26.6%
Dworshak	Personnel	38,472	13,301	-	25,171	34.6%
Hells Gate	Personnel	253,207	83,896	-	169,311	33.1%
Ponderosa	Personnel	211,131	55,942	-	155,189	26.5%
Bruneau Dunes	Personnel	138,537	36,843	-	101,694	26.6%
Three Island	Personnel	196,422	65,453	-	130,969	33.3%
Land of Yankee Fork	Operating	10,000	6,200	-	3,800	62.0%
Total		\$ 1,554,598	\$ 414,454	\$ -	\$ 1,140,144	26.7%
RV Administration (15% of Revenue)						
Executive Functions	Personnel	\$ 19,700	\$ 5,167	\$ -	\$ 14,533	26.2%
HR and Volunteer Services	Personnel	60,910	15,926	-	44,984	26.1%
Registration	Operating	75,000	27,742	-	47,258	37.0%
Fiscal	Personnel	96,047	26,617	-	69,430	27.7%
Reservation Program	Personnel	87,432	22,771	-	64,661	26.0%
	Operating	265,300	132,562	-	132,738	50.0%
State and Federal Grants	Personnel	91,670	21,401	-	70,269	23.3%
	Operating	8,800	1,039	-	7,761	11.8%
Total		\$ 704,859	\$ 253,226	\$ -	\$ 451,633	35.9%
RV Grant Dollars						
State and Federal Grants	Trustee/Benefits	\$ 655,845	\$ 100,207	\$ 505,638	\$ 50,000	92.4%
Total		\$ 655,845	\$ 100,207	\$ 505,638	\$ 50,000	92.4%

Idaho Department of Parks and Recreation
Passport Program Summary
as of September 30, 2013

Gross Revenue	Jul-13	Aug-13	Sep-13	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total
1-Year Registrations	\$ 88,620	\$ 81,170	\$ 49,870	\$ -	\$ 57,290	\$ 38,150	\$ 49,300	\$ 59,210	\$ 52,570	\$ 69,300	\$ 71,640	\$ 88,610	\$ 705,730
2-Year Registrations	47,000	49,580	36,540	-	34,380	21,560	23,180	27,600	30,420	39,000	41,660	48,060	398,980
Total	\$ 135,620	\$ 130,750	\$ 86,410	\$ -	\$ 91,670	\$ 59,710	\$ 72,480	\$ 86,810	\$ 82,990	\$ 108,300	\$ 113,300	\$ 136,670	\$ 1,104,710

Transactions	Jul-13	Aug-13	Sep-13	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Total
1-Year Registrations	8,862	8,117	4,987	-	5,729	3,815	4,930	5,921	5,257	6,930	7,164	8,861	70,573
2-Year Registrations	2,350	2,479	1,827	-	1,719	1,078	1,159	1,380	1,521	1,950	2,083	2,403	19,949
Total	11,212	10,596	6,814	-	7,448	4,893	6,089	7,301	6,778	8,880	9,247	11,264	90,522

Net Program Analysis

Total Passport Revenue	\$	1,104,710
Sales Tax		(57,623)
ITD Transaction Fees		<u>(31,878)</u>

Net Passport Revenue **1,015,209**

Decrease in MVEF - Annual (\$40) * (338,859)

Decrease in MVEF - Extra Vehicle * (183,685)

Increase in MVEF - Daily (\$5) * 520,667

Total "New" Net Revenue **\$ 1,013,332**

* Net change from prior period total

Idaho Department of Parks and Recreation

Endowment Fund Statements and Distribution Summary
as of September 30, 2013

Ritter Island Endowment Fund (0496.03)

PCA	Object	FY 2013 Expenditures	FY 2014 Budget	FY 2014 Expenditures	FY 2014 Remaining	9/30/2013 Cash Balance
93427	Personnel	\$ 9,466	\$ 9,873	\$ 2,643	\$ 7,230	
23427	Operating	23,519	30,000	6,656	23,344	
	Total	\$ 32,985	\$ 39,873	\$ 9,299	\$ 30,574	\$ 45,453

Distributions

Investment Fund Balance -- 06/30/2012	A	\$	1,027,157
Investment Fund Withdrawal in FY 2013	B	\$	26,213
Investment Fund Balance -- 06/30/2013	C	\$	1,087,537
Investment Gain FY 2012 (07/01/2012 -- 06/30/2013)	C - (A-B)	\$	86,593
Investment Fund Withdrawal in FY 2014 (7/31/2013)		\$	54,000

Trail of the Coeur d'Alenes Endowment Fund (0496.05)

PCA	Object	FY 2013 Expenditures	FY 2014 Budget	FY 2014 Expenditures	FY 2014 Remaining	9/30/2013 Cash Balance
21145	Personnel	\$ 15,560	\$ 18,000	\$ 7,569	\$ 10,431	
21145	Operating	29,211	29,900	5,280	24,620	
91146	Personnel	80,756	81,876	18,585	63,291	
91164 (OM)	Personnel	60,255	61,915	16,456	45,459	
21164 (OM)	Operating	10,777	10,000	1,791	8,209	
33016	Capital	-	22,000	-	22,000	
	Total	\$ 196,559	\$ 223,691	\$ 49,681	\$ 174,010	\$ 216,216

Distributions

Investment Fund Balance -- 06/30/2012	A	\$	2,224,523
Investment Fund Withdrawal in FY 2013	B	\$	61,523
Investment Fund Balance -- 06/30/2013	C	\$	2,353,644
Investment Gain FY 2012 (07/01/2011 -- 06/30/2012)	C - (A-B)	\$	190,644
Minimum Principal Balance	D	\$	2,163,000
Investment Fund Withdrawal in FY 2014 (7/31/2013)		\$	165,000

☐ IDAPA RULE ☐ IDAPA FEE **X BOARD ACTION REQUIRED**
☐ BOARD POLICY ☐ INFO ONLY, NO ACTION REQUIRED

AGENDA
Idaho Park and Recreation Board Meeting
November 13-14, 2013
IDPR Headquarters
Summit Conference Room
Boise ID

AGENDA ITEM: **Review of Endowments**

ACTION REQUIRED: **Board Action Required**

PRESENTER: **Larry Johnson**

PRESENTATION

BACKGROUND INFORMATION:

The Idaho Department of Parks and Recreation (IDPR) has two endowment funds managed by the Endowment Fund Investment Board (EFIB). Larry Johnson is Manager of Investments at EFIB and will present a current overview of each fund along with recommendations for modifying the Statements of Investment Policy.

STAFF RECOMMENDATIONS: Staff recommends the Board approve the modifications to both endowment fund SIPs as proposed by the EFIB if needed.

<input type="checkbox"/> IDAPA RULE	<input type="checkbox"/> IDAPA FEE	X BOARD ACTION REQUIRED
<input type="checkbox"/> BOARD POLICY	<input type="checkbox"/> INFO ONLY, NO ACTION REQUIRED	

AGENDA
Idaho Park and Recreation Board Meeting
November 13-14, 2013
IDPR Headquarters
Summit Conference Room
Boise ID

AGENDA ITEM: Proposed Registration Legislation

ACTION REQUIRED: Board motion

PRESENTER: Director Nancy Merrill

PRESENTATION

BACKGROUND INFORMATION

During the 2012 Legislation, House Bill 116 was presented by IDPR; HB 116 would have moved IDPR's registration to ITD to process registrations and renewals for Off Highway Vehicles (OHVs) snowmobiles and motorboats. This would have eliminated the retail vendors, but kept the grants program with IDPR. Shifting the registration process to Idaho Transportation Department (ITD) and Idaho Department of Parks and Recreation (IDPR) retaining the fund distribution function, was the proposed solution to reduce service duplication among state agencies and push registration information to the law enforcement community and other interested entities. The proposal would eliminate the vendor network for Idaho residents seeking to register off-highway vehicles. The proposed legislation was held in the House Transportation Committee.

The Idaho Recreation Council, Idaho All-Terrain Vehicle (ATV) Association, and other recreation users also proposed legislation amendments during the 2013 session. The proposed amendments would clarify that the ITD has no obligation to index registrations of vehicles operated off of Idaho's highway systems, and likewise that the IDPR has no obligation to share information it collects for recreation registrations with the Idaho Transportation Department. The Idaho Recreation Council and other user groups want to maintain a vendor system to keep registration stickers readily available. The proposed legislation, House Bill 279, passed on the House floor and was held in the Senate Transportation Committee.

At the request of Senator Brackett, IDPR Director Nancy Merrill created a Registration Task force to:

Task Force Purpose

- Examine the entire registration process across all registration types
- Evaluate ways to maintain a vendor system
- Identify ways to improve the data collection and quickly distribute program dollars
- Examine what data should be shared with other state agencies and the law enforcement community
- Present recommendation(s) to the Idaho Department of Parks and Recreation Board
- Recommend action items to make OHV stickers readily available

Task Force Objectives

- Identify and document the core objective of the IDPR Registration Program
- Identify, document, and validate current statutes, rules, policies and business practices
- Validate the registration program's core objective against current statutes, rules, policies, and business practices and document differences
- Review independent contractor's "current state" analysis and "future state" recommendations
- Identify opportunities for readily accessible registrations in remote locations
- Identify and recommend changes to statutes, rules, policies, and current practices to support core objective across all registration types. Change recommendations will present the best system to provide accurate data, create efficient work processes, and be cost effective.

The Task Force met four times in 2013: May 6th, June 13th, July 12th and September 11th.

May 13th Task Force Meeting

The Task Force reviewed the Idaho Department of Parks and Recreation (IDPR) Board criteria:

IDPR Board Criteria Reviewed

1. Maintain a retail vendor program
2. Maintain County Department of Motor Vehicles (DMVs) as a sales channel
3. Eliminate the three part triplicate form
4. Update internal policy to ensure vendors verify titles, collect legal names, and collect vehicle identification numbers (VINs) prior to issuing registrations and stickers.

(This is a short term option to comply with the current law. This requirement will be in place until legislation is passed removing the requirement.)

June 13th Task Force Meeting

Independent Consultant Charles Stegner reported on the Current State Analysis of the Recreation Registration Program.

1. Bad data being received from both ITD and IDPR
2. ITD will no longer accept data from IDPR on or around July 1, 2014 (this date has continually moved)
3. Title verification is not currently being completed prior to issuing registrations
4. Triplicate forms are illegible and incomplete
5. Triplicate forms must be hand-entered into Registration Information System (RIS) when not accompanied by a renewal form
6. Vendors do not provide timely or accurate month-end reporting
7. DMVs frequently charge incorrect fees
8. Year-end stickers from vendors do not always reconcile
9. DMVs are not required to account for stickers at the end of the year
10. Lack of web application support
11. Wide variation in programming language/tools
12. **End of life ITD information exchange April 2014**
13. **End of life for Renewal Reminders process April 2015**
14. **End of life for RIS data entry application April 2015**

Tax Commission, Sheriffs Association, Idaho State Police, State Insurance Commission, and County Assessor representatives listened to the task forces desires, offered ideas, and expressed their concerns. (Please see attached position letters from the Sheriffs Association and the Tax Commission.)

July 12th Task Force Meeting

The Task Force discussed Charles Stegner's Short and Long Term Options which are the following:

Short Term Options:

1. Patch existing RIS to address short term issues #2, #3, and #12 as identified in the Current State Analysis presented by Charles Stegner

2. Update ITDs Registration Data Transfer Program to eliminate dependence on server operating system

The Task Force recommended for a Short Term Option to continue proceeding with Option 2: Update ITD Registration Data Transfer Program to eliminate dependence on a server operating system.

Long Term Options

1. Replace current RIS with Commercial Off the Shelf system (COTS)
2. Build new internal RIS with contract resources
3. Replace RIS with the ITD GARNET system (ITDs new software program)

The Task Force agreed to table the recommendation for Long Term Options until further information from ITD regarding the status of their GARNET system.

Discussion followed concerning Long Term Options including:

- Consider the possibility of using a COTS system to connect vehicle registration with Idaho Department of Fish & Game (IDFG) and vessel registration to ITD.
- Send out a Request for Proposal (RFP) to explore the opportunity to connect with Idaho Public Safety and Security System (ILETS) through the Idaho State Police.
- Send out an RFP to explore the opportunity to partner with other state agencies to consolidate and report data.

The Task Force discussed the registration of vessels and whether or not it should consider ITD registering vessels. In order to meet the Coast Guard requirements for retaining Coast Guard money, IDPR needs to collect HIN, make, model, and date of birth for registration information.

The Task Force recommended that vessels continue to be a registered vessel.

IDPR maintains the capability to transfer data to ITD to ILETS. IDPR to ILETS would require an interim transfer to Idaho State Police, if the transfer connection could be made.

September 11th Task Force Meeting

Review of Public Open Houses, Public Surveys and County Assessor Surveys

Evaluation of Options:

Formal Registration Process, (current process)

Informal Sticker Process

The Task Force discussed eliminating the “owner” designation and using “operator” instead. Some members of the Task Force also discussed changing the word “registration” to “certificated number”.

Senator Hagedorn discussed options that could be presented to the IDPR Board for their consideration. The Task Force provided the following goals:

Short Term Goals

- Legislation to change owner to operator (prepared and carried by users)
- Continue current process until new system is identified.
- Put unused portion of 15% Admin into “Capital” Fund for registration system upgrade
- Remove /clarify highway crossing language in State Statute 49-426 (4) (Need Law enforcement involved)
- Share Legislative intent with agencies impacted

Long Term Goals

- Direct partial fees for system upgrades/replacements (calendar year 2015 end of life date)
- Board consider raising registration fees to ensure upgrades/replacements are covered
- Board review replacement options (COTS, ITD or IDPR)

As the meeting ended, representatives of IRC handed out draft proposed legislation.

October 23rd 2013

Representatives of the IRC emailed out the proposed legislation with an executive summary.

STAFF TAKE-AWAYS:

The Task Force meetings, open houses, surveys, consultant analysis, and interagency meetings were a great opportunity to closely examine the detailed workings of the Registration Program. All participants agreed that the “bones” of the program were working well including, but not limited to, the vendor program, on-line sales, customer service, use area designations, and generally how the Recreation Program was able to make use of the funds.

Moving forward to a new system, everyone agreed to the following:

- The responsibility of collecting funds was best left to IDPR because we are good stewards of those funds and distribute them appropriately to the recreation users.
- We need to maintain and improve where possible all our current sales channels (on-line, walk-in, mail, phone, retail vendor, and ITD).
- External sales channels (county DMVs; retail vendors) need training to provide consistent application of fees and collection of information.
- Boat registrations should not be prorated.

- The current software is aged and will need to be replaced.
 - Any upgraded system needs to be easy for users to obtain stickers.
 - The upgraded system needs to be effective as an enforcement tool.

There was also a lot of consensus (but not complete consensus) on the need to phase out triplicate forms due to the time-intensive processing, the resulting delay in distributing funds, and the risk associated with collecting sensitive information.

There was not a clear consensus amongst the Task Force members on a number of other issues discussed below:

- Whether to implement a “recreation” sticker or maintain a “registration” sticker system.
- The need to collect HIN/VIN.
- Whether IDPR should connect with ITD to enable the back and forth communication we currently have. The outcome of that decision may dictate whether we use an in-house program or off-the-shelf program. (Please note that IDPR Board, our consultant, and our Executive Staff have previously agreed that we should pursue an off-the-shelf program.)
- The need to respond to ITDs statements that they would no longer act as a sales channel by a certain date.
- There is not a clear indication of what data ITD will require or when they may start requiring it.

STAFF DISCUSSION REGARDING UPCOMING LEGISLATION:

Staff is hopeful that the current proposed legislation will be held. In the event it is held, we would like to have the Board validate the following:

1. One of the Board’s previous directives was that we maintain ITD (County DMVs) as a sales channel. Staff has come to realize that we do not have full control over meeting that directive. We would like for the Board to, instead, direct Staff to: a) work with ITD to maintain a relationship similar to our current one; b) in the event they will not include IDPR as a part of the GARNET system, IDPR will seek a stand-alone system that protects our funding sources, meets our user needs, maintains a robust vendor network, and informs our recreation programs.
2. IDPR does not need to pursue legislation of our own this year.
3. Staff pursues updated software that carries out the consensus items above. The updated software will rely on electronic transfer of information to eliminate the triplicate forms. It will also allow communication with ITD should they allow us to connect with the GARNET system.
4. In moving forward, Staff will continue to work and communicate with IRC.

STAFF RECOMMENDATION:

- 1) If proposed legislation **is held**, direct staff to continue updating our current registration system that would include communication that interfaces with ITD if possible and promotes a strong retail vendor system.
- 2) If legislation is **not held**:
 - a) Direct **staff** to either support or not support the legislation as written.
 - b) If Board **does not support** proposed Legislation Staff will continue to seek RPP to update current system.
 - c) If Board **does support** proposed Legislation, direct staff to continue updating our current registration system that would include an online vendor program with an RFP that would include the changes in the proposed legislation.

**Position Statement from Idaho State Tax Commission on
Idaho Parks and Recreation Registration Proposal**

Idaho Parks and Recreation (IDPR) has proposed significant changes in the recreational vehicle and vessel registration process. The Idaho State Tax Commission is particularly concerned with and most affected by the reduction in the amount of information collected from users registering and renewing recreational vehicles with IDPR. Consequently, this position paper will focus on that issue alone and leave discussion of other proposed changes to parties more directly affected. To reduce redundancy in writing, any reference to recreational vehicle or merely vehicle is generally intended to refer to vessels as well.

It is the position of the Idaho State Tax Commission that the proposal significantly reduces the effectiveness of the information as it is currently used by the Tax Commission and negatively impacts audit and collections efforts.

Currently, the Tax Commission uses the Idaho Transportation Department (ITD) system every day to review registration information collected by IDPR. This information is used in audit work to ensure that the proper amount of sales or use tax has been paid on the purchase and use of recreational vehicles in Idaho. The information also makes it much easier to determine who owns a particular vehicle, so that the correct individual may be contacted for the tax they may legally owe. In addition, the information is used in collection efforts to verify the assets owned by a particular taxpayer.

If a recreational vehicle is not titled through ITD (whether it is legally required or not), the IDPR registration information may be the only way for the Tax Commission to know that a taxpayer owns a particular vehicle. The proposed changes will make it much more difficult for the Tax Commission to obtain this information since it will only be known how many registration stickers a particular individual purchased. For example, if somebody buys three stickers five years in a row, that individual may have owned the same three recreational vehicles over that period of time or he may have sold and purchased several vehicles in that time never needing more than three registration stickers at once. Since sales or use tax is owed each time a taxpayer acquires a vehicle, it is important for the Tax Commission to track these changes over time. The Tax Commission will have to expend significantly more resources to obtain the same information it currently obtains and, in many cases, the information will not be obtainable through any reasonable means.

Even in cases where a recreational vehicle is titled through ITD, the IDPR registration information can be used to verify that a vehicle was still in the possession of a taxpayer on a certain date. This can be very helpful for a collections officer to understand the complete financial picture of a taxpayer. If an individual that owes a tax debt claims to have sold an asset



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Executive Director

September 24, 2013

This is the Idaho's Sheriff's Associations position on possible changes to recreational vehicle (boats, snowmobiles and OHV's) registrations in Idaho. We recognize that changes to the current system need to be made due outdated software and changes in technology. Sheriff's Offices are the primary enforcers the recreational registration laws.

While the current registration system is not perfect it has worked well for many years. As Idaho Department Parks and Recreation moves forward with changes Sheriff's have several concerns. The first is that we do not want to lose access to information that we currently have access to through ILETS. Information for both boating registration and restricted vehicle license plates for OHV's are the two things that are the most important and most often used by Deputies. OHV's with restricted vehicle plates allows them to operate on most roads open to full size vehicles and are treated as any other vehicle on a public highway.

The second area of concern is ease of registration. Recreation has a huge fiscal impact to many Counties throughout Idaho. Anything that makes it harder to register recreational vehicles will have a negative fiscal impact on those Counties. Hopefully any new registration system will make it easier for those operating recreational vehicles in Idaho to purchase a registration.

Another area that Sheriff's are concerned about are any changes in titling requirements. If there are any changes made to the registration requirements for recreational vehicles we do not want to see any changes to how these vehicles are titled. Titling is how proof of ownership for a vehicle is established and that information is provided to law enforcement through ILETS.

We understand that the process for registering recreational vehicles is going to have to change over the next few years. We are stakeholders in this process and are willing to work with IDPR and recreational vehicle users to help make these changes successful.

LEGISLATIVE PROPOSAL OF THE 2013 REGISTRATION TASK FORCE

Executive Summary

Current Idaho statutes related to the use of off-highway recreational vehicles are confusing in references to registration requirements at times, while at other times referencing a requirement that each vehicle have a number certificate. Idaho law has clearly adopted a pay-to-play system for off-highway recreation use of snowmobiles, motorbikes, ATVs and UTVs. The same applies to boats as well. Idaho law requires IDPR to issue stickers attached to these vehicles to indicate payment of user fees. Wheeled recreation vehicles are at times also operated on public highway systems. Current law requires those vehicles to be registered through ITD with a restricted plate issued and displayed, together with the pay-to-play sticker issued by IDPR.

During the 2013 legislative session, concern arose as to whether IDPR was required to collect sensitive personal information of pay-to-play users so that personal information could be provided to ITD. ITD felt it had a statutory duty to maintain an index of all snowmobiles and OHVs because they were “registered motor vehicles.” The issue was not resolved during the legislative session – competing bills each failed. A task force, known as the 2013 Registration Task Force, was formed among interested persons from all points of view to determine if common ground could be reached regarding the “registration” system for recreational vehicles. The task force discussed what information should be collected, whether the pay-to-play system is appropriate called a “registration system”, and examined other concerns related to modernizing IDPR’s computer system that handles issues of stickers. The task force is still examining some issues, but has reached agreement on the proposed legislation reflected in this proposal.

The task force has agreed that the pay-to-play system should not be called a “registration” system. The purpose of the sticker program is to obtain user fees to build recreation infrastructure. It is not a system designed to validate ownership of vehicles. As such, the task force proposes statutory changes to eliminate a requirement that owners purchase the user stickers, and instead simply require that every off-highway recreation vehicle have a pay-to-play sticker affixed to it, and it can be purchased by any person. It is the operator’s duty to ensure it is stickered. These changes do not apply to marine vessels due to Coast Guard requirements,

Other minor changes are suggested by the task force in the proposed legislation. For instance, it expands the current prohibition of cities and counties requiring registration/numbering for snowmobiles to also include OHVs. The minimum fine for an operator not having a pay-to-play sticker is also raised from \$10 to \$50, to ensure the minimum fine is more than the sticker fee. Conforming amendments to the motor vehicle code are also suggested to ensure ITD has no duty to index registrations of recreation vehicles. The only exception is OHVs operated on public highways, which are already indexed by ITD through the restricted plate system. Finally, it is suggested that a provision allowing user fees for boats to be prorated based on the time of year the sticker is purchased be eliminated for purposes of consistency with the snowmobile and OHV sticker fees.

Since stickers are purchased and valid on a calendar year basis, the proposed effective date for the changes detailed herein is January 1, 2015.

years ago, the IDPR registration information as currently collected can show us the last time that vehicle was registered with IDPR. This is often much more up-to-date information than ITD alone can provide.

The Tax Commission attended a meeting earlier this year where IDPR and its recreational users expressed their concern over collection of information that they felt did not directly benefit the operations of the state parks of Idaho. However, it should be noted that the sales and use tax collected by the Tax Commission, a portion of which is collected through the audit and collections process, is primarily devoted to the general fund which makes up a part, though admittedly a small part, of IDPR's annual budget. In addition, every tool available to the Tax Commission in fulfilling its role as the tax enforcement agency for the state of Idaho further ensures a more level playing field for all the taxpayers of Idaho, including recreational users.

Regardless of what registration information IDPR decides to collect in the future, it is the Tax Commission's hope that any information collected will continue to be available to us in our efforts to ensure that the tax laws of Idaho are administered fairly and equitably.

Drafting Committee

The proposed legislation was drafted and approved by the 2013 Legislative Task Force. Members included Senator Marv Hagedorn, Representative Terry Gestrin, IDPR staff, ITD staff, law enforcement representatives, county government representatives, DMV and assessor's office representatives, recreation vehicle dealers, and user group leaders. The task force also received input and assistance from representatives of the Idaho Tax Commission.

Impact on Revenues

The legislative changes proposed herein will have no direct impact to revenues. The proposed legislation does not involve a proposed tax or any increase in user fees.

Impact on Expenditures

The legislative changes proposed herein will have no direct impact on the general fund. The dedicated vessel account may see an increase in revenues of approximately \$50,000. This increase is a result of removing the proration of vessels for the first year they are issued a certificate of number.

Frequently Asked Questions

How do the proposed changes decide what state agency will be responsible for stickering boats and off-highway vehicles in the future?

This legislation will not alter the current system whereby all recreation stickers are administered by the Department of Parks and Recreation through direct sales by IDPR (mail-in, at the office, or Internet), sales by dealers and vendors, and sales by county assessors and DMV offices. The task force has decided, for the time being, that IDPR is the best agency to administer the program and is the most knowledgeable of the needs and desires of recreationists.

Many deadlines have been mentioned for a date by which the IDPR pay-to-play system must be changed or updated. Are there truly any dates by which something must be done?

With adoption of the proposed changes, there will be no urgent need to update or change the IDPR system because it will not need to communicate with whatever system ITD may eventually adopt. However, it is expected that in the next 2-3 years the IDPR system will need to be modernized. An exact date is unknown. The task force is still studying those issues. The task force has recommended that IDPR save monies from its 15% administrative fee from recreation sales that it does not need for administrative expenses for application to system modernization when the need arises.

What impact will the proposed changes have on county assessors, DMV offices and ITD?

The proposed changes will not have any impact on current operations by state and county offices

that sell recreation stickers – it will still be business as usual. They will continue to handle all vehicle and vessel titles, and will continue to issue restricted plates to off-highway vehicles registered for highway use. They will also still be a vendor of recreation stickers for IDPR.

What impact will the proposed changes have on dealers and vendors?

The proposed changes will not have any impact on current sales of recreation stickers by dealers and IDPR vendors – it will still be business as usual. The actual sales process is expected to be less time-consuming and easier as a result of the proposed changes as the vendor will not need to take detailed personal information or vehicle information.

Will the proposed changes effect law enforcement's ability to recover stolen boats and off-highway vehicles?

Recreation stickers are not used by law enforcement as a tool for recovery of stolen vehicles. Law enforcement relies on title information and vehicle identification numbers for that purpose. The postage stamp sized stickers are not an aid to law enforcement for any purpose other than verifying that the machine is authorized to operate. Additionally, recent data illustrates that off-highway vehicle theft is not a significant problem in Idaho. Since 2010 – 2 motorbikes were stolen and none were recovered – 35 snowmobiles were stolen and 19 were recovered – 125 off-highway vehicles were stolen and 94 were recovered.

Will the proposed changes have any impact on recreation funds or administrative expenses?

The proposed changes should not have any impact on the administrative expenses of IDPR, and therefore it is expected that on-the-ground use of recreation funds will not be impacted. The vessel account should see an increase in revenues.

How much tax revenue will be lost as a result of these proposed changes?

A change in the operator of a recreation vehicle is not a taxable event. If a recreation vehicle is sold, that is a possible taxable event and the tax is typically captured at the time title is transferred. The proposed changes do not in any way effect titling requirements, so no impact on tax revenue is expected.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF IDAHO:

Section 1. Amendment of Idaho Code 67-7103. Section 7103, Chapter 71, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7103. Application for number -- Attachment of number -- Certificate -- Application for transfer of certificate -- Transfer of certificate fee -- Temporary number -- Fees

(1) On or before November 1 of each year the owner-operator of each snowmobile requiring numbering by the state of Idaho shall file an application for number with the department on forms approved by it. The application shall ~~be signed by the owner and shall~~, except as provided in subsection (7) of this section, be accompanied by a fee of thirty-one dollars (\$ 31.00). Upon receipt of the application the department shall issue to the applicant a certificate of number stating the number assigned to the snowmobile and the name and address of the owner-applicant. The owner-operator shall attach to the snowmobile the identification number in a manner as may be prescribed by rules of the department. The number shall be located on the right and left side of the cowl of the snowmobile and shall be completely visible and shall be maintained in legible condition. The certificate of number shall be pocket size and shall be available at all times for inspection on the snowmobile for which issued, wherever the snowmobile is in operation.

Comment [DC1]: This reflects change that operator, rather than owner, is obligated to ensure machine he is operating has a sticker

(2) The department may issue any certificate of number directly or may authorize any persons to act as vendor for the issuance. In the event a person accepts the authorization, he may be assigned a block of numbers and certificates which upon issue, in conformity with this chapter and with any rules of the department, shall be valid as if issued directly by the department.

Comment [DC2]: We may wish to consider removal of this sentence. Why is this requirement needed since the certificate is a sticker affixed to the machine.

(3) All records of the department made or kept pursuant to this section shall be public records.

(4) Each snowmobile must be registered-numbered before it leaves the premises at the time of sale from any retail snowmobile dealer.

~~(5) The purchaser of a snowmobile shall, within fifteen (15) days immediately after acquisition, make application to the department for transfer to him of the certificate of number issued to the snowmobile, giving his name, address and the number of the snowmobile and shall at the same time pay to the department a fee of three dollars (\$ 3.00). Upon receipt of the application and fee, the department shall transfer the certificate of number issued for the snowmobile to the new owner or owners. Unless the application is made and fee paid within fifteen (15) days, the snowmobile shall be considered to be without a certificate of number and it shall be unlawful for any person to operate that snowmobile until the certificate is issued.~~

~~(56)~~ No number other than the number issued to a snowmobile pursuant to this chapter shall be painted, attached, or otherwise displayed on the snowmobile, except a temporary number may be attached to identify a snowmobile for the purpose of racing or other sporting events.

~~(67)~~ Resident and nonresident owners of snowmobiles used for rental purposes shall purchase certificates of number for sixty-one dollars (\$ 61.00) and the certificates of number shall be displayed on the machine at all times.

Section 2. Amendment of Idaho Code 67-7108. Section 7108, Chapter 71, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7108. Prohibition against numbering by political subdivisions

The provisions of this chapter shall govern the numbering and registration of snowmobiles, all-terrain vehicles, motorbikes, specialty off-highway vehicles and utility type vehicles –operated in this state. All political subdivisions of the state are expressly prohibited from numbering or registering snowmobiles, all-terrain vehicles, motorbikes, specialty off-highway vehicles and utility type vehicles in any respect.

Section 3. Amendment of Idaho Code 67-7112. Section 7112, Chapter 71, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7112. Groomed snowmobile trails

Any all-terrain vehicle operating on groomed snowmobile trails during the winter snowmobiling season when the trails are groomed shall be registered-numbered as a snowmobile under the provisions of *section 67-7103, Idaho Code*. Counties shall have the option to allow all-terrain vehicles, if registered-numbered, to use snowmobile trails in the county. No other vehicles shall operate on groomed snowmobile trails unless specifically allowed by the county. Violation of the provisions of this section shall be an infraction.

Section 4. Amendment of Idaho Code 67-7113. Section 7113, Chapter 71, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7113. Violations -- Accountable for property damage

(1) Any person who violates any provision of *sections 67-7102 through section 67-7112, Idaho Code*, shall be guilty of an infraction, and shall be punished by a fine of not less than fifty ten dollars (\$ 50.00+0.00) nor more than one hundred dollars (\$ 100). In addition thereto the operator and/or owner of the snowmobile shall be responsible and held accountable to the owner of any lands where trees, shrubs or other property have been damaged as the result of travel over their premises.

Comment [DC3]: Shouldn't the fine at least be equal to the amount it would cost to buy the sticker?

Section 5. Addition of Idaho Code 67-7121. A new section is hereby added to Chapter 71, Title 67, Idaho Code, to be identified as Section 7121, and to provide as follows –

§ 67-7121. Requirement that off-highway vehicles be numbered

Except as otherwise provided by law, no all-terrain vehicle, motorbike, specialty off-highway vehicle or utility type vehicle shall be operated within the jurisdiction of the state of Idaho unless numbered as provided in this chapter.

Comment [DC4]: Added for consistency with snowmobile statutes

Section 6. Amendment of Idaho Code 67-7122. Section 7122, Chapter 71, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7122. Application for number – Attachment of number – Certificate -- FeesRequirements--
Registration--Procedure

(1) On or before January 1 of each year, the ~~operatorowner~~ of any all-terrain vehicle, motorbike, specialty off-highway vehicle or utility type vehicle as defined in *section 67-7101, Idaho Code*, or any motorcycle as defined in *section 49-114, Idaho Code*, used off public highways, on highways located on state lands or federal lands which are not part of the highway system of the state of Idaho or on highways as prescribed in *section 49-426(3) and (4), Idaho Code*, but excluding those vehicles used exclusively on private land for agricultural use or used exclusively for snow removal purposes as provided in *section 49-426(2), Idaho Code*, shall obtain a number certificate for register that vehicle at any vendor authorized by the department. Effective January 1, 2010, a fee of twelve dollars (\$ 12.00) shall be charged for each ~~number certificate~~registration, which fee includes a one dollar and fifty cent (\$ 1.50) fee to be retained by the vendor and the remainder of which shall be remitted to the department together with information a duplicate copy of the application form, noting the number of the ~~registration sticker certificate~~ issued, the identity of the operator that purchased the number certificate, the operator's designated county use area, and the type of machine to which the operator will affix the certificate of number (e.g. motorbike, all-terrain vehicle, utility type vehicle, or specialty off-highway vehicle).

Comment [DC5]: Obligation to get sticker is on operator, not the owner

Comment [DC6]: No longer a registration - now a number certificate

(2) At the time of sale from any dealer, each motorbike, all-terrain vehicle or utility type vehicle sold to an Idaho resident, but excluding those vehicles to be used exclusively on private land for agricultural use or used exclusively for snow removal purposes as provided in *section 49-426(2), Idaho Code*, must obtain a number certificate~~be registered~~.

(a) Application blanks and ~~registration number certificates stickers~~ shall be supplied by the department and the ~~registration number certificates sticker~~ shall be issued to the person making application for ~~registration~~the number certificate.

(b) All ~~registration stickers~~number certificates which are issued shall be in force through December 31 of the issued year. All ~~registration number certificates stickers~~ shall be renewed by the ~~owner~~operator of the all-terrain vehicle, motorbike, specialty off-highway vehicle or utility type vehicle in the same manner provided for in the initial securing of the same or with any vendor authorized by the department. A vendor issuing a renewal ~~number certificate~~registration sticker shall retain a one dollar and fifty cent (\$ 1.50) vendor fee and remit the remainder of the twelve dollar (\$ 12.00) renewal ~~number certificate~~registration sticker fee to the department together with information noting the number of the certificate issued, the identity of the operator that purchased the number certificate, the operator's designated county use area, and the type of machine to which the operator will affix the certificate of number (e.g. motorbike, all-terrain vehicle, utility type vehicle, or specialty off-highway vehicle)~~together with a duplicate copy of the application form, noting the number of the registration sticker issued~~.

(c) The issued ~~registration sticker~~number certificate shall be placed upon the restricted vehicle license plate of the all-terrain vehicle, motorbike or utility type vehicle, or upon the right fork of a vehicle registered pursuant to *section 49-402(3), Idaho Code*, or of a motorbike if used exclusively off-highway, or upon the rear fender of an all-terrain vehicle, specialty off-highway vehicle or utility type vehicle if used exclusively off-highway. The placement shall be made in such a manner that it is completely visible, does not cover the license plate numbers or letters, if licensed, and shall be kept in a legible condition at all times.

(3) For operation of a motorbike that meets the requirements specified in *section 49-114(10), Idaho Code*, on the public highways, the vehicle shall also be registered pursuant to the provisions of *section 49-402(3), Idaho Code*. A motorbike that meets the requirements specified in *section 49-114(10), Idaho Code*, and that is registered-numbered pursuant to *section 49-402(3), Idaho Code*, shall not be required to obtain a restricted license plate pursuant to *section 49-402(4), Idaho Code*. A motorbike, all-terrain vehicle, specialty off-highway vehicle or utility type vehicle operated exclusively off-highway or on highways located on state lands or federal lands which are not part of the highway system of the state of Idaho and that meet the registration requirements specified in this section shall not be required to obtain a restricted vehicle license plate pursuant to *section 49-402(4), Idaho Code*.

(4) Nonresidents shall be allowed to purchase a restricted vehicle license plate pursuant to *section 49-402(4), Idaho Code*, and/or a sticker-number certificate for an all-terrain vehicle, motorbike or utility type vehicle.

Section 7. Amendment of Idaho Code 67-7123. Section 7123, Chapter 71, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7123. Transfer of registration-sticker-number certificates and restricted vehicle license plate

The purchaser of an all-terrain vehicle, utility type vehicle or motorbike, which has been previously issued a number certificate registered pursuant to *section 67-7122, Idaho Code*, and issued a restricted vehicle license plate pursuant to *section 49-402, Idaho Code*, shall within fifteen (15) days after acquiring same, make application to the county assessor or county motor vehicle office as may be designated by the county assessor for transfer to him of the number certificate sticker of registration and restricted vehicle license plate issued to the vehicle, giving the same information as on the original application and the number of the registration-sticker-number certificate and restricted vehicle license plate, and shall at the same time pay a transfer fee of one dollar and fifty cents (\$ 1.50).

Section 8. Amendment of Idaho Code 67-7124. Section 7124, Chapter 71, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7124. Nonresident -- Exemption

(1) The provisions of *section 67-7122, Idaho Code*, regarding registration-number certificates shall not apply to any nonresident owner-operator; provided the all-terrain vehicle, utility type vehicle, specialty off-highway vehicle or motorbike is currently and properly registered or numbered in the state of the operator's residence. Owners-Operators of an all-terrain vehicle, utility type vehicle, specialty off-highway vehicle or motorbike from states that do not have a registration or numbering requirement shall be numbered registered in Idaho under the provisions of *section 67-7122, Idaho Code*, prior to operation in this state.

Comment [DC7]: Only allow out-of-state reciprocity if the other state allows the same

(2) Nonresidents with an all-terrain vehicle, utility type vehicle, specialty off-highway vehicle or motorbike registered or numbered in another state shall have the same use privileges and responsibilities as a resident of this state with a properly registered or numbered vehicle.

Section 9. Amendment of Idaho Code 67-7126. Section 7126, Chapter 71, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7126. Establishment of account -- Distribution of fees

There is established in the state treasurer's office an account to be known and designated as the "motorbike recreation account." The twelve dollar (\$ 12.00) fee collected for off-highway vehicle ~~registration-number certificates~~ shall be allocated as follows:

- (1) Vendors shall charge and retain one dollar and fifty cents (\$ 1.50) for a handling fee;
- (2) Up to fifteen percent (15%) shall be allotted to the department for administration and for the production of ~~registration-number certificates~~, which moneys shall be placed in the motorbike recreation account. The department shall annually publish a report specifically identifying the uses of account moneys;
- (3) One dollar (\$ 1.00) shall be deposited into the off-highway vehicle law enforcement fund. Moneys in said fund shall be paid and used as follows:
 - (a) Sheriffs of counties with a current or an actively developing off-highway vehicle law enforcement program recognized by the department shall receive moneys from the fund based upon a formula as provided in rule promulgated by the board; and
 - (b) Moneys from the fund shall be used only for off-highway related law enforcement activities; and
- (4) One dollar (\$ 1.00) shall be allocated to the Idaho department of lands to provide off-highway vehicle opportunities and to repair damage directly related to off-highway vehicle use. The department of lands shall annually publish a report specifically identifying the uses of moneys allocated pursuant to this subsection; and
- (5) The remaining funds shall be transmitted to the state treasurer's office for deposit to the credit of the motorbike recreation account, all such moneys to be transmitted to the state treasurer on or before the tenth day of each month.

Collection of fees for off-highway vehicle ~~registration-number certificates~~ shall not impose any additional liability on the state of Idaho or any of its political subdivisions or upon the employees of the state and of its political subdivisions, and those entities and persons shall retain the limitations of liability provided by *section 36-1604, Idaho Code*, regardless of the use of such fees.

Section 10. Amendment of Idaho Code 49-426. Section 426, Chapter 4, Title 49, Idaho Code, is hereby amended to provide as follows –

§ 49-426. Exemptions from operating fees

The provisions of this chapter with respect to operating fees shall not apply to:

- (1) Motor vehicles owned or leased by the United States, the state, a city, a county, any department thereof, any political subdivision or municipal corporation of the state, any taxing district of the state, any state registered nonprofit subscription fire protection unit, or any organization, whether incorporated or unincorporated, organized for the operation, maintenance, or management of an ir-

Comment [DCB]: These changes are to conform existing law to the above changes in Chapter 71, Title 67, Idaho Code

rigation project or irrigation works or system or for the purpose of furnishing water to its members or shareholders, but in other respects shall be applicable.

(2) Farm tractors, implements of husbandry, those manufactured homes which qualify for an exemption under the provisions of *section 49-422, Idaho Code*, road rollers, wheel mounted tar buckets, portable concrete and/or mortar mixers, wheel mounted compressors, tow dollies, portable toilet trailers, street sweepers, other construction equipment, forestry equipment, lawn and grounds equipment and similar devices as determined by the department which are temporarily operated or moved upon the highways need not be registered under the provisions of this chapter, nor shall implements of husbandry be considered towed units under registration of vehicle combinations as defined in *section 49-108(2), Idaho Code*. In addition, self-propelled wheelchairs, three-wheeled bicycles, wheelchair conveyances, golf carts, lawn mowers, and scooters operated by persons who by reason of physical disability are otherwise unable to move about as pedestrians shall be exempt from registration requirements under the provisions of this chapter. Motorcycles, motorbikes, utility type vehicles and all-terrain vehicles need not be licensed under the provisions of this chapter or ~~registered~~ ~~numbered~~ pursuant to the provisions of *section 67-7122, Idaho Code*, if they are being used exclusively in connection with agricultural, horticultural, dairy and livestock growing and feeding operations or used exclusively for snow removal purposes. Travel upon the public highways shall be limited to travel between farm or ranch locations. Motorcycles, motorbikes, utility type vehicles and all-terrain vehicles used for this purpose shall meet the emblem requirements of *section 49-619, Idaho Code*.

(3) Any political subdivision of the state of Idaho may, but only after sufficient public notice is given and a public hearing held, adopt local ordinances or resolutions designating highways or sections of highways under its jurisdiction which are closed to all-terrain vehicles, utility type vehicles, specialty off-highway vehicles and motorbikes licensed pursuant to this chapter and ~~registered~~ ~~numbered~~ pursuant to *section 67-7122, Idaho Code*. The operation of licensed and ~~registered~~ ~~numbered~~ all-terrain vehicles, utility type vehicles and motorbikes and those vehicles exempt from licensing and ~~registration-numbering~~ pursuant to subsection (2) of this section shall not be permitted on controlled access highways. The requirements of title 18 and chapters 2, 3, 6, 8, 12, 13 and 14, title 49, Idaho Code, shall apply to the operation of any all-terrain vehicle, utility type vehicle or motorbike upon highways. Costs related to the posting of signs on highways or sections of highways that are closed to such vehicles, indicating the ordinance, are eligible for reimbursement through the motorbike recreation account created in *section 67-7126, Idaho Code*.

(4) The Idaho transportation board may designate sections of state highways over which all-terrain vehicles, utility type vehicles, specialty off-highway vehicles and motorbikes may cross. The requirements of title 18, and chapters 2, 3, 6, 8, 12, 13 and 14, title 49, Idaho Code, shall apply to the operation of all-terrain vehicles, utility type vehicles, specialty off-highway vehicles and motorbikes when using designated crossings on state highways.

(5) All-terrain vehicles, utility type vehicles, specialty off-highway vehicles and motorbikes may be used on highways located on state lands or federal lands which are not part of the highway system of the state of Idaho, provided the ~~registration-numbering~~ requirements of *section 67-7122, Idaho Code*, are met.

Section 11. Amendment of Idaho Code 67-7008. Section 7008, Chapter 70, Title 67, Idaho Code, is hereby amended to provide as follows –

§ 67-7008. Certificate of registration -- Expiration -- Fees

Comment [DC9]: These changes relate only to eliminating the pro-rating of boat registration fees

(1) Within fifteen (15) days after purchase, or as otherwise herein provided, the owner of each vessel requiring numbering by the state of Idaho shall file an application for registration with an assessor or authorized vendor on forms provided by the department. The application shall be signed by the owner and shall be accompanied by the fee herein designated. Upon receipt of an application in approved form, and the appropriate fee, the assessor or authorized vendor shall enter the same upon the records of its office and issue to the applicant two (2) validation stickers and a certificate of registration stating the number issued to the vessel, the receipt of any fee paid and the name and address of the owner, and the assessor or authorized vendor shall forward to the department a duplicate copy. The owner shall paint on or permanently attach to each side of the bow of the vessel the registration number and validation sticker in a manner as may be prescribed by rules of the department in order that they may be completely visible, and the number shall be maintained in legible condition. The certificate of registration shall be pocket-size and shall be on board and available at all times for inspection on the vessel for which issued whenever that vessel is in operation, except that livery operators may have the rental agreement on board rented vessels in lieu of the certificate of registration.

(2) The owner of any vessel for which a current certificate of registration has been issued pursuant to any federal law or a federally approved numbering system of another state shall, if the vessel is operated on the waters of this state in excess of sixty (60) days, make application for a certificate of Idaho registration in the manner prescribed in this section.

(3) Each assessor and authorized vendor shall record, on a form provided by the department, the names of all owners of vessels who make application for certificates of registration, together with the amount of the fees paid by the owners. He shall, on or before the tenth of each month, forward to the department a duplicate copy of each record for the preceding month.

(4) All records of the department made or kept pursuant to this section shall be kept current and shall be public records.

(5) Every certificate of registration issued shall continue in full force and effect through December 31 of the year of issue unless sooner terminated or discontinued in accordance with law. Certificates of registration may be renewed by the owner in the same manner provided for in the initial securing of them.

(6) The owner of any vessel shall notify the department within fifteen (15) days if his vessel is destroyed or abandoned, or is sold or transferred either wholly or in part to another person or persons or if the owner's address no longer conforms to the address appearing on the certificate of registration. In all such cases, the notice shall be accompanied by a surrender of the certificate of registration. When the surrender of the certificate is by reason of the vessel being destroyed, abandoned or sold, the department shall cancel the certificate and enter that fact in its records. If the surrender is by reason of a change of address on the part of the owner, the new address shall be endorsed on the certificate and the certificate returned to the owner.

(7) Whenever the ownership of a vessel changes, the purchaser shall, within fifteen (15) days after acquisition, make application to the department for transfer to him of the certificate of registration issued for the vessel, giving his name, address, and the number of the vessel and shall, at the same time, pay to the department a transfer fee of three dollars (\$ 3.00). Upon receipt of the application and fee, the department shall transfer the certificate of registration issued for the vessel to the new owner or owners. Unless the application is made and the fee paid within fifteen (15) days, the vessel shall be considered to be without a certificate of registration.

(8) No number other than the registration number issued to a vessel or granted by reciprocity pursuant to law shall be painted, attached, or otherwise displayed on either side of the bow of the vessel.

(9) If any certificate of registration becomes lost, mutilated, or becomes illegible, the owner of the vessel for which the same was issued shall obtain a duplicate of the certificate from the department upon application and the payment of a fee of three dollars (\$ 3.00). If one or both validation stickers are lost, stolen, or destroyed, any sticker remnants and the certificate of registration should be returned to the department along with a three dollar (\$ 3.00) fee and an application for a duplicate certificate of registration and validation stickers.

(10) A person engaged in the manufacture or sale of vessels of a type otherwise required to be numbered by law, may obtain pursuant to regulations duly promulgated by the department, certificates of registration for use in the testing or demonstration only of a vessel upon payment of thirteen dollars (\$ 13.00) for each certificate. Certificates of registration so issued may be used by the applicant in the testing or demonstration only of vessels by temporary placement of the numbers assigned by the certificates on the vessel tested or demonstrated, and shall be issued and displayed as otherwise prescribed by this chapter or by regulation of the department.

(11) The registration fees shall be:

- | | |
|---------------------------------|----------|
| (a) Vessels 0-12 feet in length | \$ 20.00 |
| Vessels over 12 feet in length | 20.00 |

plus \$ 2.00 per foot for each additional foot
in excess of 12 feet.

~~—(b) The registration fees for new or used vessels which have not previously been registered in Idaho shall be:~~

~~—(i) For vessels acquired or brought into the state January 1 through March 31, the full amount of the regular fees;~~

~~—(ii) For vessels acquired or brought into the state April 1 through June 30, seventy five percent (75%) of the regular fees;~~

~~—(iii) For vessels acquired or brought into the state July 1 through September 30, fifty percent (50%) of the regular fees;~~

~~—(iv) For vessels acquired or brought into the state after September 30, twenty five percent (25%) of the regular fees.~~

~~—(c) Each assessor and authorized vendor shall presume that any vessel is subject to the regular certificate of registration fees, unless the applicant can successfully show reasonable proof that the vessel has not previously been registered in Idaho.~~

(12) The provisions of subsection (11) of this section, with respect to the amount of payment of registration fees shall not apply to vessels owned by any charitable or religious organization, scout organization or any similar organization not used and operated for profit. All vessels currently registered by the state of Idaho and having paid the fees imposed by subsection (11) of this section shall not be assessed and taxed as personal property in the state of Idaho.

(13) The registration fee for vessels owned by any charitable or religious organization, scout organization or similar organization not used and operated for profit shall be two dollars (\$ 2.00) per year.

Section 12. Adoption of Rules. The Department and Board are hereby authorized and directed to adopt and/or amend administrative rules necessary to implement the provisions of this Act.

Section 13. Severability. In the event that any one or more of the provisions of this act shall, for any reason, be held to be unconstitutional, invalid, illegal or unenforceable in any respect, such unconstitutionality, invalidity, illegality or unenforceability shall not affect any other provisions of this act, but this act shall be construed as if such unconstitutional, invalid, illegal or unenforceable provisions had never been contained in this act.

Section 14. Effective Date. The provisions of this act shall take effect at 12:01 a.m. on January 1, 2015.

☐ IDAPA RULE ☐ IDAPA FEE ☐ BOARD ACTION REQUIRED
☐ BOARD POLICY **X INFO ONLY, NO ACTION REQUIRED**

AGENDA
Idaho Park and Recreation Board Meeting
November 13-14, 2013
IDPR Headquarters
Summit Conference Room
Boise ID

AGENDA ITEM: **Negligent Boat Operation Court Ruling**

ACTION REQUIRED: **Information Only**

PRESENTER: **Dave Claycomb**

PRESENTATION

BACKGROUND INFORMATION:

A boater was cited in Bonner County July, 2012 under I.C. 67-7016 (Grossly Negligent Operation) when he crashed his boat into a second boat on Priest Lake. Several people involved were hurt as a result of the collision.

A decision from a magistrate judge associated with that accident, and later upheld by a district judge, ruled that I.C. 67-7016 as it is currently written is unconstitutionally vague. Similar concerns have since been raised about I.C. 67-7017 (Negligent Operation).

The difference between grossly negligent operation and negligent operation is that a person can be cited for grossly negligent operation when people or property is endangered.

I.C. 67-7017 in particular, is regularly cited by marine law enforcement officers within the course of their duties.

Marine deputies are meeting to discuss existing law(s), and may work with sheriffs and legislators to address the issue during the upcoming legislative session.

STAFF RECOMMENDATIONS:

This is an informational item only.