

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1920

Bill Subtitle: TO ALLOW THE OPERATION OF STREET-LEGAL ALL-TERRAIN VEHICLES ON PUBLIC STREETS AND HIGHWAYS; TO CREATE THE STREET-LEGAL ALL-TERRAIN VEHICLE EDUCATION AND SAFETY PROGRAM; AND TO CREATE THE CONCEALED HANDGUN CARRY FEE-REDUCTION FUND.

Basic Change :

Sponsor: Rep. Vaught

This bill will allow street legal all-terrain vehicles on public streets and highways; creates the street legal all-terrain vehicle education and safety program; and creates the Concealed Handgun Carry Fee-Reduction Fund.

The additional equipment required in § 27-21-108 to meet the statutory definition of street legal all-terrain vehicle is listed in this bill. As defined in this bill, public streets and highways do not include an interstate highway; a controlled access highway; a public street or highway where a posted speed limit is more than fifty-five miles per hour; or a public street or highway which prohibits the operation of an all-terrain vehicle or street-legal all-terrain vehicle by municipal ordinance.

The bill requires the Arkansas Game & Fish Commission (AGFC) to establish a system for registering street legal all-terrain vehicles that is available to provide the registration 24 hours a day. The fee for registering a street legal vehicle shall be \$24 with \$5 distributed to the State Central Services Fund to be used by the AGFC to defray the cost of administering the registration system. Any remaining registration fees collected shall be transferred to the Concealed Handgun Carry Fee-Reduction Fund. All street legal all-terrain vehicles shall not have a license plate attached to the vehicle. The operator of a street legal all-terrain vehicle must carry proof of insurance as required by state law and proof of registration of the vehicle when operating the vehicle on a public street or highway. An operator must comply with the rules of the road and is subject to the same penalties for violating the rules of the road as provided in § 27-51-101.

The University of Arkansas Cooperative Extension Service shall establish and implement the Street-Legal All-Terrain Vehicle Education and Safety Program as an added component to the all-terrain safety course provided by the 4-H youth development program to teach the safe operation of a street legal all-terrain vehicle on public streets and highways. A fee of not more than \$200 may be charged to help defray the cost of the program. Completion of this program shall fulfill the safety program requirement of § 27-21-113(2).

The Department of Finance and Administration (DFA) may enter into an interstate reciprocity agreement with other states to allow the operation of an all-terrain vehicle or a street legal all-terrain vehicle within another state, or the out of state vehicle within Arkansas, without having to register the street legal all-terrain vehicle or purchase an out of state operation permit. However, an all-terrain vehicle from another state shall not be operated in this state unless the vehicle is equipped with the required equipment per state law.

Rules may be adopted by DFA and AGFC for the implementation and administration of this bill.

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Revenue Impact :

There were approximately 250,000 all-terrain vehicles registered with DFA for a cost of \$5 during fiscal year 2016. If you assumed all vehicles were to be registered each year as street legal, then AGFC could receive up to \$1,250,000 per year and the Concealed Handgun Carry Fee-Reduction Fund would receive the remainder of the \$24 fee. This amount is approximately \$4,750,000.

Taxpayer Impact :

Taxpayers who own street legal all-terrain vehicles will be required to pay a \$24 annual registration fee to AGFC and attend an expanded safety course offered through the University of Arkansas Cooperative Extension Service. It is not known from this bill what the impact to the taxpayers will be from the Concealed Handgun Carry Fee-Reduction Fund.

Resources Required :

No additional resources will be required for DFA. It is unknown what resources will be required by AGFC and the University of Arkansas Cooperative Extension Service if this bill is passed.

Time Required :

There is no emergency clause on this bill. No additional time is required by DFA. Additional time may be required by AGFC to implement the 24-hour registration system.

Procedural Changes :

None.

Other Comments :

It is assumed that DFA will continue to register ATVs that do not qualify under this bill as street legal all-terrain vehicles and AGFC will register the street legal all-terrain vehicles.

Legal Analysis :

HB1920 allows for the operation of street-legal all-terrain vehicles on public streets and highways. Fees collected for the registration of street-legal all-terrain vehicles (ATVs) shall be deposited into a Concealed Handgun Carry Fee - Reduction Fund. Arkansas State Police will use the fees to: 50% to reduce concealed handgun carry fees; and 50% to offset the cost of administering the Street-Legal ATV Education and Safety Program. Arkansas laws are amended to include requirements for street-legal ATVs, equipment requirements, and permitted uses on public streets and highways.