Regulatory Analysis

Notice of Intended Action to be published: Iowa Administrative Code 571—Chapter 47
"Snowmobiles"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 321G.2 and 321G.21

State or federal law(s) implemented by the rulemaking: Iowa Code chapter 321G and 2024 Iowa Acts, Senate File 2423

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

September 25, 2024	6200 Park Avenue, 2nd Floor
12 noon to 1 p.m.	Des Moines, Iowa

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis. Written or oral comments in response to this Regulatory Analysis must be received by the Department of Natural Resources (Department) no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

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6200 Park Avenue, Suite 200
Des Moines, Iowa 50321
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Purpose and Summary

Proposed Chapter 47 sets forth the rules for registration, renewal, titling, decal placement and accident reporting for snowmobiles. It also describes the process for dealer registration. This chapter has been reviewed and edited consistent with Executive Order 10. In addition, this rulemaking implements 2024 Iowa Acts, Senate File 2423, which requires nonresidents to obtain a nonresident user permit prior to engaging in recreational snowmobile activities on public land, snow, or designated trails in this state.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

- Classes of persons that will bear the costs of the proposed rulemaking:

Snowmobile owners and snowmobile dealers will bear minimal costs that are outweighed by the benefits of the rules.

- Classes of persons that will benefit from the proposed rulemaking:

Citizens of Iowa, snowmobile owners, snowmobile dealers, and program partners will benefit.

2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:

- Quantitative description of impact:

Snowmobile owners and dealers that choose to register will incur costs.

- Qualitative description of impact:

The funds associated with the fees are utilized to develop and maintain snowmobile trails and programs in the state.

3. Costs to the State:

- Implementation and enforcement costs borne by the agency or any other agency:

Costs to the agency are minimal and limited to staff time.

- Anticipated effect on state revenues:

The proposed rules do not have any effect on state revenues.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

The costs of the program are minimal, and the benefit to snowmobile owners and the citizens of Iowa is significant. The fees collected develop and maintain designated snowmobile trails and programs of the state.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

No less costly methods exist for achieving the purpose of the proposed rulemaking. The rulemaking is streamlined to implement the program consistent with the Iowa Code.

6. Alternative methods considered by the agency:

- Description of any alternative methods that were seriously considered by the agency:

The agency briefly considered adopting a program guideline document in lieu of rule promulgation.

- Reasons why alternative methods were rejected in favor of the proposed rulemaking:

Having oversight and processes in rule better protects the user-generated funding source and ensures that Iowa Code requirements are met.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

This proposed rulemaking does not have any impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 571—Chapter 47 and adopt the following **new** chapter in lieu thereof:

CHAPTER 47
SNOWMOBILES

DIVISION I
REGISTRATION, RENEWAL, TITLING,
DECAL PLACEMENT AND ACCIDENT REPORTS

571—47.1(321G) Definitions. For purposes of this chapter, the following terms shall mean the same as defined in Iowa Code section 321G.1:

"Commission"
"Department"
"Operator"
"Public land"
"Roadway"
"Snowmobile"

571—47.2(321G) Operation on roadways, highways, streets and snowmobile trails. A person shall not operate a snowmobile upon roadways, highways, streets, or designated snowmobile trails except as provided in Iowa Code section 321G.9.

NOTE: Additional driving and operation limitations are listed in Iowa Code section 321G.13.

571—47.3(321G) Registration for snowmobiles.

47.3(1) *General.* A person shall not operate, maintain, or give permission for the operation or maintenance of a snowmobile on public land, a designated snowmobile trail, or ice unless the snowmobile:

a. Is registered in accordance with the requirements of Iowa Code chapter 321G and this chapter;

b. Displays a current nonresident user permit decal issued as provided in 571—47.4(321G); or

c. Is exempt from registration pursuant to Iowa Code section 321G.8.

47.3(2) *Registration requirements.*

a. The owner of each snowmobile required to be registered shall file an application for registration with the department through a county recorder and pay all applicable fees pursuant to Iowa Code section 321G.4 and these rules, except that a snowmobile dealer shall make application and pay all applicable registration and title fees on behalf of a purchaser of a snowmobile.

(1) Application forms. Applications for registration shall be made on forms provided by the department. In the event the applicant does not have the required documentation, the applicant may be required to secure a bond consistent with the requirements of 571—Chapter 50.

(2) Fees. The applicant shall pay the following fees: $30 for the registration fee; $1 for the writing fee; and $1.50 for the administrative fee. In addition, a county recorder may collect an additional 25 cents for the writing fee if the county recorder issues the registration.

b. At such time the department or the county recorder is satisfied with the application and has received the required fees, the department or county recorder shall issue to the applicant a registration certificate and registration decal.

47.3(3) *Preregistration grace period.*

a. Dealer purchases. An unregistered snowmobile sold by a dealer to an Iowa resident for use in Iowa shall bear a card made of cardstock or other similar material that includes the words "registration applied for" and the date of purchase. Such card shall entitle the purchaser to operate the snowmobile for 45 days immediately following the purchase. The purchaser shall place this card on the windshield area of the snowmobile in a position so as to be clearly visible at all times and maintained in a legible manner. The operator of any snowmobile displaying a "registration applied for" card described in this paragraph shall carry and provide upon request to any peace officer a valid bill of sale for the snowmobile.

b. Nondealer purchases. Snowmobiles may be sold by nondealers, and the registration grace period may apply depending on the current registration of the vehicle.

(1) A snowmobile that is currently registered in the state of Iowa may be legally operated for 30 days before it is registered under the purchaser's name.

(2) A snowmobile not currently registered in the state of Iowa shall not be operated until it is titled and registered in the purchaser's name. Valid registration in another state does not authorize preregistration operation.

47.3(4) *Registration—renewals.* Every snowmobile registration certificate and registration decal expires at midnight December 31 of the year issued or at the time specified on the registration decal. Applications for renewal shall be completed pursuant to Iowa Code section 321G.6.

571—47.4(321G) Nonresident user permits.

47.4(1) A nonresident wishing to operate a snowmobile, other than such vehicle owned by a resident and registered pursuant to Iowa Code chapter 321G, on public land, a designated snowmobile trail, or ice of this state must first obtain a nonresident user permit from the department.

47.4(2) The department, a county recorder or license agent designated by the director may issue nonresident user permits. The applicant shall pay the following fees for a user permit: $15 for the permit fee; $1 for a writing fee; and $1.50 for an administrative fee. In the event the county recorder issues such a permit, the county recorder may charge an additional 25 cents for the writing fee.

47.4(3) A user permit issued under this rule shall be valid for the calendar year or time period specified in the permit and shall be limited to the vehicle specified at the time of application.

47.4(4) Nonresident user permits are issued to a vehicle and are not transferable.

571—47.5(321G) Display of registration and nonresident user permit decals. The owner of a snowmobile shall display the registration decal or nonresident user permit decal on the windshield of the snowmobile so that the decal is clearly visible. If the snowmobile does not have a windshield, then the decal shall be affixed to the area of the hood near the headlamp so that the decal is clearly visible.

571—47.6(321G) Registration certificate.

47.6(1) An operator of a snowmobile shall carry the registration certificate either in such vehicle or on the person of the operator when the snowmobile is in use.

47.6(2) The operator of a snowmobile shall exhibit the registration certificate to all of the following:

a. To a peace officer or department personnel upon request;

b. To a person injured in an accident involving the snowmobile, or that person's agent;

c. To the owner or operator of another snowmobile when the snowmobile is involved in a collision or accident with the other snowmobile, or that person's agent;

d. To the owner of personal or real property when the snowmobile is involved in a collision or accident with the property of the other person, or that person's agent; and

e. To the property owner or tenant when the snowmobile is being operated on private property without permission from the property owner or tenant, or that person's agent.

571—47.7(321G) Owner's certificate of title.

47.7(1) The owner of a snowmobile acquired on or after January 28, 1998, other than a snowmobile used exclusively as a farm implement or a previously registered snowmobile that is more than 30 years old, shall apply to the county recorder of the county in which the owner resides for a certificate of title for the snowmobile. The owner shall make application within 30 days after acquisition of the snowmobile, using forms provided by the department, and shall include the required fees set out in Iowa Code section 321G.30.

47.7(2) A certificate of title issued by the county recorder shall be on forms provided by the department.

571—47.8(321G) Procedures for application and for issuance of a vehicle identification number (VIN) for homebuilt snowmobiles.

47.8(1) A person, other than a manufacturer, who constructs or rebuilds a snowmobile for which there is no legible VIN may make application to the department on forms provided by the department for the issuance of a new VIN. The application process shall include an inspection of the snowmobile by the department. If the application is approved, the VIN shall be affixed to the vehicle by a peace officer. The completed application shall then be surrendered to the county recorder.

47.8(2) The peace officer shall permanently affix the VIN to the frame under the seat of the snowmobile.

571—47.9(321G) Accident report.

47.9(1) Whenever any snowmobile is involved in an accident resulting in injury or death to anyone or property damage amounting to $1,500 or more, the operator or someone acting for the operator shall immediately notify the county sheriff or another law enforcement agency of the state.

47.9(2) If the accident occurred on public land, a designated snowmobile trail, or ice under the jurisdiction of the commission, the operator shall file a report of the accident with the department within 72 hours. The report shall be on forms provided by the department.

47.9(3) Accidents other than those specified in 47.9(2) shall be reported as required in Iowa Code section 321.266.

571—47.10(321G) Snowmobile fee grants, cost-share programs, and contracts. The department shall transfer, via contract, at least 70 percent of snowmobile fees to a political subdivision or an incorporated private organization for distribution through snowmobile-related grants, cost-share agreements, or contracts consistent with Iowa Code section 321G.7(2). Terms of this contract shall, at a minimum, direct the receiving party to identify and make publicly available grant, cost-share program, and contract eligibility and selection criteria; accounting, auditing, and reporting requirements; termination terms; and unspent money repayment processes. Any contract entered into pursuant to this rule shall be available upon request from department snowmobile program staff.

DIVISION II
SNOWMOBILE DEALERS

571—47.11(321G) Purpose. The rules in this division apply to registered snowmobile dealers, manufacturers, and distributors. These rules establish minimal standards for snowmobile dealers as authorized under Iowa Code section 321G.21.

571—47.12(321G) Definitions. For purposes of this division, the following definitions shall apply:

"Dealer" means the same as defined in Iowa Code section 321G.1.

"Distributor" means the same as defined in Iowa Code section 321G.1.

"Engaged in the business," or similar wording, means doing any of the following acts for the purpose of selling snowmobiles at retail: acquiring, selling, exchanging, holding, offering, displaying, brokering, accepting on consignment or conducting a retail auction, or acting as an agent for the purpose of doing any of these acts. A person selling at retail more than five snowmobiles during a 12-month period may be presumed to be engaged in the business.

"Established place of business" means the same as defined in Iowa Code section 321G.1.

"Manufacturer" means the same as defined in Iowa Code section 321G.1.

"Manufacturer's certificate of origin" means a certification signed by the manufacturer, distributor or importer that the snowmobile described has been transferred to the person or dealer named, and that the transfer is the first transfer of the vehicle in ordinary trade and commerce. A manufacturer's certificate of origin may also be referred to as a manufacturer's statement of origin.

571—47.13(321G) Dealer's established place of business. A dealer's established place of business shall include phone service and an adequate office area for keeping business records, manufacturers' certificates of origin, certificates of title or other evidence of ownership for all snowmobiles offered for sale.

571—47.14(321G) Zoning. Dealers licensed under these rules must comply with applicable local zoning ordinances. Upon request by the department, a dealer shall provide to the department written evidence issued by the office responsible for the enforcement of zoning ordinances in the city or county where the dealer's established place of business is located that the dealer's established place of business complies with all applicable zoning provisions.

571—47.15(321G) Sales tax permit. A dealer shall provide to the department written evidence that the dealer has obtained a sales tax permit issued by the department of revenue.

571—47.16(321G) Special registration certificates for manufacturers, distributors and dealers.

47.16(1) A manufacturer, distributor, or dealer owning a snowmobile required to be registered under Iowa Code chapter 321G and this chapter may operate the unregistered snowmobile for purposes of transporting, testing, demonstrating, or selling it if both of the following requirements are met:

a. The manufacturer, distributor, or dealer obtains from the department a special registration certificate and decal containing a general identification number in accordance with Iowa Code section 321G.21. An application for a special registration certificate shall be submitted on forms provided by the department; and

b. The manufacturer, distributor, or dealer has the assigned decal attached to a removable sign which is temporarily but firmly attached to the snowmobile being used.

47.16(2) If a manufacturer, distributor, or dealer has an established place of business in more than one location, the manufacturer, distributor, or dealer shall obtain from the department a separate and distinct special registration certificate, decal and general identification number for each place of business.

47.16(3) Duplicate special registration certificates and decals may be obtained pursuant to the conditions set forth in Iowa Code section 321G.21.

571—47.17(321G) Information provided to purchasers. At the time of sale, a dealer shall provide all purchasers of snowmobiles with information on how to access the department's website. The department shall provide regulations related to snowmobile use. Information provided on the department's website shall be deemed current information for purposes of this rule.

571—47.18(321G) Right of inspection. The department or any peace officer has the authority to inspect the following at any dealer location: (1) snowmobiles or component parts of vehicles, (2) business records, and (3) manufacturers' certificates of origin, certificates of title and other evidence of ownership for snowmobiles offered for sale. The department has the right at any time to verify compliance with all statutory and regulatory requirements by a dealer registered under Iowa Code chapter 321G.

571—47.19(321G) Denial or revocation. The department may deny a dealer application or revoke a dealer registration certificate when the director determines the applicant or dealer has violated any rule of this chapter or Iowa Code chapter 321G or when continuation of the permit is not in the public interest. Such denial or revocation shall become effective upon a date specified in the notice. The notice shall state the extent of the denial or revocation and the reasons for the action. Within 30 days following receipt of the notice of a revocation or denial, the applicant or dealer, whichever is applicable, may file a notice of appeal, requesting a contested case pursuant to 561—Chapter 7. The notice of appeal shall specify the basis for requesting that the permit be issued or reinstated.

These rules are intended to implement Iowa Code chapter 321G.