

HOUSE BILL No. 4169

February 24, 1987, Introduced by Reps. Alley, Ouwinga, Gagliardi, Hickner, Middaugh, Sitz, Weeks, Dutko, Rocca, DeMars, Sofio, Connors, Allen, Stacey, Docherty, Griffin, Power and Joe Young, Jr. and referred to the Committee on Taxation.

A bill to create the recreation improvement fund; to provide for a privilege tax and the distribution of the privilege tax on gasoline and diesel fuel sold for vehicles not operated on public roads and highways; to provide for legislative fundings and declarations; and to repeal certain acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "recreation improvement fund act".

3 Sec. 2. As used in this act:

4 (a) "Associated facilities" means restrooms, shelters, camp-
5 grounds, and parking lots, which directly relate to trails or
6 waterways projects.

7 (b) "Commission" means the commission of natural resources.

8 (c) "Department" means the department of natural resources.

1 (d) "Director" means the director of the department.

2 (e) "Fund" means the recreation improvement fund created in
3 section 5.

4 (f) "Off-road vehicle" means ORV as it is defined in section
5 1 of Act No. 319 of the Public Acts of 1975, being section
6 257.1601 of the Michigan Compiled Laws, which are required to be
7 registered under Act No. 319 of the Public Acts of 1975, being
8 sections 257.1601 to 257.1626 of the Michigan Compiled Laws.

9 (g) "Recreational projects" means, in addition to the activ-
10 ities provided for in this act, the construction, maintenance,
11 and operation of trails and associated facilities which may be
12 used by cross-country skiers, horseback riders, and hikers; and
13 inland lake cleanup grants as provided by the inland lake
14 improvement act of 1966, Act No. 345 of the Public Acts of 1966,
15 being sections 281.901 to 281.930 of the Michigan Compiled Laws.

16 (h) "Recreational snowmobile trail improvement fund" means
17 the recreational snowmobile trail improvement fund created in
18 section 1504e of Act No. 74 of the Public Acts of 1968, being
19 section 257.1504e of the Michigan Compiled Laws.

20 (i) "Michigan state waterways fund" means the Michigan state
21 waterways fund created in section 8 of Act No. 320 of the Public
22 Acts of 1947, being section 281.508 of the Michigan Compiled
23 Laws.

24 Sec. 3. (1) There is a privilege tax imposed on all gaso-
25 line and diesel fuel sold in this state which is used to generate
26 power for the operation of internal combustion engines which do
27 not operate upon the public roads and highways of this state.

1 (2) The privilege tax shall be paid to the department of
2 treasury in the same manner, at the same time, and at the rate
3 per gallon as the tax levied under Act No. 150 of the Public Acts
4 of 1927, being sections 207.101 to 207.202 of the Michigan
5 Compiled Laws. The privilege tax imposed by this section shall
6 not apply to liquefied petroleum gas.

7 Sec. 4. The legislature finds 3.5% of all the gasoline and
8 diesel fuel sold in this state for consumption in internal com-
9 bustion engines is used to generate power for internal combustion
10 engines which do not operate upon the public roads and highways
11 of this state.

12 Sec. 5. The recreation improvement fund is created in the
13 state treasury and shall be administered by the department of
14 natural resources.

15 Sec. 6. The department of treasury shall annually present
16 to the commission of natural resources an accurate total of all
17 the gasoline taxes collected and determine the amount of revenue
18 derived from them. The department of treasury shall determine
19 the portion of these revenues derived from the sale of gasoline
20 and diesel fuel as described in section 3 by multiplying the
21 total by 3.5% and shall credit this amount to the recreation
22 improvement fund, less a deduction for collection cost and
23 refunds.

24 Sec. 7. Any money remaining in the recreation improvement
25 fund at the end of a fiscal year shall be carried over in the
26 fund to the next and succeeding fiscal years and shall only be
27 used for the purposes stated in this act.

1 Sec. 8. (1) The commission shall annually review and make
2 recommendations to the legislature for distributions of the fund,
3 including recreational projects and geographic locations.

4 (2) Of the total fund, not less than 52% shall be credited
5 to the Michigan state waterways fund, 20% to the recreational
6 snowmobile trail improvement fund, and 15% to off-road vehicle
7 programs. The remaining money shall be distributed to recrea-
8 tional projects.

9 Sec. 9. Section 9 of Act No. 320 of the Public Acts of
10 1947, being section 281.509 of the Michigan Compiled Laws, is
11 repealed.