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House Bill 5027 (Substitute H-2 as reported without amendment)  
Sponsor: Representative John Pastor  
House Committee: Great Lakes and Tourism  
Senate Committee: Natural Resources and Environmental Affairs

### **CONTENT**

The bill would amend Part 821 (Snowmobiles) of the Natural Resources and Environmental Protection Act to revise the manner in which snowmobile registration funds are allocated. The bill would do the following:

- Require the State Treasurer to transfer any amount over \$1.6 million in the Snowmobile Registration Fee Fund to the Recreational Snowmobile Trail Improvement Fund.
- Provide that, if less than \$3 were appropriated from each snowmobile registration fee to the Department of State, the Treasurer would have to transfer the difference between \$3 and the amount appropriated to the Trail Improvement Fund.
- Specify how money would have to be allocated from the Trail Improvement Fund for financial assistance to local units of government and nonprofit snowmobile clubs or organizations.
- Require the Department of Natural Resources (DNR), in determining the amount of financial assistance for each county sheriff or local law enforcement agency, to give priority to law enforcement activities.
- Remove the requirement that a specific amount of each registration fee be spent on State financial assistance to counties for snowmobile safety education and for trail enforcement grants to counties or local groups for enforcement of Part 821.
- Delete a requirement that a specific percentage of trail improvement funds be allocated to local units and snowmobile clubs and organizations.
- Require the DNR, when preparing its annual budget for snowmobile registration fee funds, to seek input from the Snowmobile Advisory Committee and give priority to enforcement efforts under local snowmobile programs.
- Increase the percentage of a sheriff department's or local law enforcement agency's expenditures for which the DNR may provide financial assistance.
- Permit the DNR to issue grants or enter into contracts for maintenance equipment; trail development or repair; and acquiring land, leases, easements, or other agreements to allow public use of private land.
- Require the DNR to provide the Natural Resources Commission with a biennial report of its expenditures from the Trail Improvement Fund, beginning March 31, 2004.

MCL 324.82101 et al.

Legislative Analyst: Claire Layman

### **FISCAL IMPACT**

The bill would not increase or decrease revenue to the Department of Natural Resources or the Department of State, but would reallocate existing revenue. Currently, \$9 of each snowmobile registration fee is divided between \$7 for snowmobile financial assistance programs for counties and \$2 for trail enforcement grants to counties and other local groups. The bill would allow the DNR to decide how much of the funding to provide for each of the two purposes.

The bill also would result in additional revenue to the Recreational Snowmobile Trail Improvement Fund with funding diverted from the Snowmobile Registration Fee Fund. It would limit the balance of the Registration Fee Fund to \$1,600,000 annually with any excess transferred to the Trail Improvement Fund. In FY 2001-02, the ending balance of the Registration Fee Fund was \$3,247,400. This provision would have resulted in a transfer of \$1,647,400 to the Trail Improvement Fund. An estimated transfer of \$602,100 would have occurred for FY 2002-03. In addition, any unspent appropriations to the Department of State from snowmobile registration fee revenue would lapse to the Trail Improvement Fund. Currently, all of this revenue lapses to the Registration Fee Fund.

The bill would set expenditure priorities for appropriations from both the Registration Fee Fund and the Trail Improvement Fund, with assistance to local snowmobile programs as the first priority for both Funds. The bill would make additional grant funding available for county sheriffs, local units of government, and local snowmobile organizations for both law enforcement and trail maintenance activities. Finally, the DNR would be required to seek input from the Snowmobile Advisory Committee on appropriations from both the Registration Fee Fund and the Trail Improvement Fund.

Date Completed: 11-6-03

Fiscal Analyst: Jessica Runnels

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.