



Senate Fiscal Agency  
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BILL



ANALYSIS

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House Bill 4507 (Substitute H-1 as reported without amendment)  
Sponsor: Representative John Espinoza  
House Committee: Tourism, Outdoor Recreation and Natural Resources  
Senate Committee: Natural Resources and Environmental Affairs

Date Completed: 7-28-09

### **RATIONALE**

Public Act 240 of 2008 amended the Natural Resources and Environmental Protection Act to authorize local governments to adopt ordinances allowing the operation of off-road vehicles (ORVs) on road shoulders. The legislation applies to all the counties of the Upper Peninsula and to 28 counties of the northern Lower Peninsula. According to supporters, the measure will stimulate tourism in the eligible counties. Because of the anticipated economic benefits, it has been suggested that authorization to adopt ORV ordinances should be extended to several counties in Michigan's "thumb".

### **CONTENT**

**The bill would amend Part 811 (Off-Road Recreation Vehicles) to extend to specified counties provisions authorizing the adoption of an ordinance allowing the operation of ORVs on road shoulders.**

Part 811 allows the county board of commissioners of an eligible county, the township board of a township located in an eligible county, and the legislative body of a municipality located in an eligible county, to adopt an ordinance authorizing the operation of ORVs on the maintained portion of one or more roads located within the county, township, or municipality. If an ordinance is adopted, a person may operate an ORV with the flow of traffic on the far right of the maintained portion of the road or street covered by the ordinance. Part 811 prescribes additional regulations for the operation of ORVs on the designated roads and provides that a violation of an ORV

ordinance is a municipal civil infraction. The ordinance may provide for a maximum fine of \$500 for a violation. Additionally, the court must order the defendant to pay the cost of repairing any resulting damage to the environment, a road or street, or public property. These provisions do not apply after July 16, 2013.

Part 811 defines "eligible county" as Mason, Lake, Osceola, Clare, Gladwin, Arenac, or Bay County, or any county lying north of those counties, including all of the counties of the Upper Peninsula. Under the bill, the term also would include Huron, Tuscola, Sanilac, and St. Clair Counties.

MCL 324.81131

### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### **Supporting Argument**

The specified counties in the thumb area could benefit from the expanded recreational opportunities the bill would provide. Users of the ORV trails in the region reportedly generate between \$1.0 million and \$2.0 million per year. Designating certain roads as ORV-friendly could augment this tourism revenue in economically depressed communities.

Because Michigan's thumb is a peninsula, people generally do not travel through it unless they have a specific reason or destination. Expanding ORV opportunities

would give people from other parts of the State a reason to visit and spend money in the area, and could increase real estate values by making property more attractive for vacation use. Additionally, residents of the thumb region could benefit from the creation of a more comprehensive ORV system. Many people from the area who previously took advantage of the recreational opportunities in the eligible northern Michigan counties now cannot afford to do so. Extending eligibility to the thumb counties would give those people more opportunities to use ORVs closer to home. This would provide a boost to the area's ORV industry, which is reportedly down by almost 50%.

**Response:** Evidently, since local governments have adopted ORV ordinances under the 2008 legislation, there have been complaints regarding safety and the impact of ORV use on the road shoulder. In light of these concerns, extending authorization to other counties might be unwise.

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on local government. There are no data to indicate how many individuals would be found responsible for violating an ORV ordinance. To the extent that the bill resulted in an increase or decrease in adjudications of responsibility, local governments' costs of enforcement and fine revenue could be affected.

Fiscal Analyst: Bill Bowerman

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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.