

Legislative Analysis



ELIMINATE SUNSET OF ORV LICENSE FEES

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House Bill 4515 as reported from committee
Sponsor: Rep. Jenn Hill
Committee: Transportation, Mobility, and Infrastructure
Complete to 6-11-23

Analysis available at
<http://www.legislature.mi.gov>

(Enacted as Public Act 217 of 2023)

SUMMARY:

House Bill 4515 would amend section 81116 of the Natural Resources and Environmental Protection Act to remove the sunset (expiration date) on license fees for the operation of off-road vehicles (ORVs).¹

Currently under the act, the owner of an ORV requiring licensure must file an application for a license with the Department of Natural Resources (DNR) or with an ORV dealer or DNR license agent. A license is not required to operate an ORV on private lands. Licenses are valid for one year beginning each April 1. The fee for a license is as follows:

- For a license that does *not* authorize operation of the ORV on state ORV trails, \$26.25. (This license authorizes operating the ORV on eligible county roads, the frozen surface of public waters, and eligible state and national forest roads.)
- For a license authorizing operation of the ORV on state ORV trails and scramble areas, \$36.25. (This additional \$10 purchase is described as a trail permit supplemental to the basic license described above.)
- Beginning April 1, 2024, no fee.

In 2013, section 81116 was amended to provide that no fee would be charged for an ORV license or trail permit beginning April 1, 2019. In 2017, that date was deferred to April 1, 2024. The bill would remove the sunset language and retain ORV license fees beyond that date.

MCL 324.81116

FISCAL IMPACT:

House Bill 4515 would increase future revenue for the Department of Natural Resources by eliminating the sunset on ORV license fees. These fees generated \$11.4 million in FY 2021-22 revenue for the ORV Trail Improvement Fund and the ORV Safety Education Fund. These funds primarily support DNR's ORV grant programs; they also support appropriations for parks and recreation, law enforcement, and departmental administration. The bill is unlikely to affect departmental costs as the ORV license fee collection process is already in place and would be extended. Local units of government are not likely to realize a fiscal impact under the bill,

¹ See <https://www.michigan.gov/dnr/things-to-do/orv-riding/permits-and-requirements>

POSITIONS:

Representatives of the Michigan Snowmobile and ORV Association testified in support of the bill. (5-9-23)

The Department of Natural Resources indicated support for the bill. (5-9-23)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.