



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #474

Snowmobile Supplemental Trail Aids Joint Finance Requests (DNR -- Fish, Wildlife, and Recreation)

CURRENT LAW

The Department of Natural Resources (DNR) distributes aids to participating counties for the maintenance, development, and acquisition of land to support approximately 18,700 miles of interconnecting snowmobile trails throughout the state. Generally, these aids are provided to counties at 100% of eligible costs. The counties either develop and maintain local trails, or, more typically, redistribute aid to local snowmobile clubs that do the maintenance and development projects. DNR also funds the maintenance and development of approximately 600 miles of snowmobile trails on state park, trail, recreation area, and forest lands.

County expenditures eligible for state aid (listed in priority order) are as follows: (a) maintenance of existing approved trails, up to a maximum of \$250 per mile per year; (b) club signing programs; (c) bridge rehabilitation; (d) municipal route signing; (e) trail rehabilitation; and (f) development of new trails.

In addition, a county or snowmobile club contracting with DNR for work on a state property is eligible for supplemental trail aid payments up to a total of \$750 per mile, if actual eligible costs exceed the maximum of \$250 per mile for basic trail aids. Of the costs incurred, actual trail grooming costs must exceed \$150 per mile per year. Since fiscal year 1991-92, supplemental trail aids have been funded from the 40% multiplier to the snowmobile fuel tax transfer formula (increased to 55% beginning in 2013-14). Further, \$32 from each \$35 non-resident trail pass sticker sold in the prior year is also made available for this purpose. Under 2013 Act 142, for fiscal years 2016-17 to 2019-20, DNR is to credit \$47 from each \$50 nonresident annual trail use sticker to the supplemental trail aids appropriation. If the supplemental aid payable to counties exceeds funding available from these two sources, s. 350.12(4)(br) of the statutes specifies that the Department may either prorate the claims or request that the Joint Committee on Finance take action under s. 13.101 (without the requirement

of finding an emergency).

GOVERNOR

No provision.

DISCUSSION POINTS

1. The following table shows supplemental trail aid payments from the 1990-91 snowmobile season through the 2013-14 season. The table shows the total eligible amount requested by counties, the amount paid in supplemental aids, and the level of proration. Supplemental payments for a snowmobile season are paid in the following fiscal year.

Supplemental Snowmobile Trail Maintenance Payments

<u>Snowmobile Season</u>	<u>Fiscal Year</u>	<u>Total Request</u>	<u>Total Payment</u>	<u>% of Request Paid</u>
1990-91	1992	\$352,800	\$352,800	100%
1991-92	1993	923,000	701,500	76
1992-93	1994	983,900	724,600	74
1993-94	1995	889,800	838,400	94
1994-95	1996	477,700	477,700	100
1995-96	1997	1,925,500	1,036,200	54
1996-97	1998	2,130,000	1,642,300	77
1997-98	1999	731,000	731,000	100
1998-99	2000	1,182,200	1,182,200	100
1999-00*	2001	\$1,514,100	\$1,514,100	100
2000-01*	2002	2,770,200	2,770,200	100
2001-02	2003	589,200	589,200	100
2002-03	2004	372,100	372,100	100
2003-04	2005	2,394,000	1,915,500	80
2004-05	2006	1,978,800	1,854,200	94
2005-06*	2007	1,942,200	1,942,200	100
2006-07	2008	1,068,800	1,068,800	100
2007-08*	2009	3,856,100	2,395,700	62
2008-09*	2010	2,648,100	2,254,700	85
2009-10*	2011	2,798,100	2,318,600	83
2010-11	2012	3,551,600	2,165,800	61
2011-12**	2013	1,028,800	1,028,800	100
2012-13	2014	3,185,500	2,515,600	79
2013-14***	2015	4,498,600	3,016,500	67

*Payments for these seasons were supplemented through action by the Joint Committee on Finance.

**Includes \$11,400 in payments for 10-11 season.

***Includes \$301,200 from snowmobile registration revenues allocated by DNR.

2. As shown in the table, supplemental amounts have fully funded eligible requests in eleven years (including four years where the Joint Committee on Finance approved an additional allocation) and funding has been prorated in thirteen years (including three years in which the Committee approved an additional allocation). In all cases where DNR requested an additional allocation, Joint Finance approved an additional allocation.

3. The supplemental trail aids for the 2013-14 snowmobile season (fiscal year 2014-15) included approximately \$301,200 in funding from the general snowmobile account appropriation (primarily registration revenues) for county snowmobile aids [20.370(5)(cr)]. It could be argued that DNR is required under s. 350.12(4)(br) of the statutes, to submit a request to the Joint Committee on Finance for approval to use funds beyond those available under s. 350.12(4)(bg) (55% snowmobile gas tax multiplier and designated nonresident sticker revenues) for supplemental trail aids. However, DNR argues that the Department is not required to submit a request to the Joint Committee on Finance in order to use funds from the county snowmobile aids appropriation [s. 20.370(5)(cr)] to pay supplemental trail aids to counties under s. 350.12(4)(bg) of the statutes because: (a) no supplement from a general revenue appropriation is being requested; and (b) no change between appropriations will occur.

4. However, in the past, the Department has submitted requests to the Joint Committee on Finance under s. 350.12 and 13.101 when both of these conditions were also met. For example, from fiscal year 2000-01 through fiscal year 2008-09, DNR submitted four requests to Joint Finance related to supplemental snowmobile trail aids under s. 13.101. The Committee approved these requests on December 19, 2000, December 18, 2001, December 14, 2006, and December 17, 2008. In each case, the Department requested the transfer of funds within the motor fuel tax transfer appropriation [s. 20.370(5)(cs)] from basic snowmobile trail aids to be used for supplemental trail aid payments. Under the Department's argument, this would not have been necessary as there was no change between appropriations and no supplement from a general revenue appropriation. Further, if these requests had not been granted, the Department would have had to prorate the payments. For example, in the case of the December 14, 2006, approval, an eligible request had been omitted from the initial payments and if the requested transfer had not been approved, the Department would have had to recoup a portion of the payments already made, and establish a prorated amount.

5. More recently, in March and December, 2010, the Department submitted requests to the Joint Committee on Finance to increase the expenditure authority in the appropriation for county snowmobile aids [20.370(5)(cr)] in fiscal years 2009-10 and 2010-11 to be used for supplemental snowmobile trail aids. These requests were made after 2007 Act 226 increased the fee for the non-resident snowmobile trail pass from \$18 to \$35, without increasing the amount set aside for supplemental trail aids. As a result, \$15 of the revenue from trail use stickers was available for supplemental trail aids while the remainder (\$20 less issuing fees) was credited to the general snowmobile account. The Department asked that (5)(cr) be increased by an amount equal to an additional \$17 per nonresident trail use sticker to be made available for supplemental trail aids (\$32 total). [2011 Act 32 increased the amount set aside from each non-resident snowmobile trail pass from \$15 to \$32.] Due to the nature of the appropriations, the increase in expenditure authority could not be made under the nonresident trail sticker appropriation (5)(cw) or the gas tax formula appropriation (5)(cs).

6. It could be argued that the fact that the Joint Committee on Finance's powers to supplement a SEG appropriation under s. 13.101 were required to be exercised for the two 2010 requests does not render s. 350.12 (4)(br) null when this transfer authority is not required. On the other hand, DNR argues that because appropriation (5)(cr) is authorized to be used for both basic and supplemental trail aids, the Department may use available funds in (5)(cr) for supplemental trail aids without submitting a request to Joint Finance. It may not be clear whether s. 350.12(4)(bg) requires the Department to submit a request to the Joint Committee on Finance. However, as demonstrated by past DNR requests for Joint Finance review, it could be argued this is required even when additional expenditure authority is not being requested.

7. If the Committee wishes to require DNR to submit a request to Joint Finance in all cases where the Department plans to utilize funds beyond those statutorily specified for supplemental snowmobile trail aids, the Committee could clarify that this is required [Alternative 1]. On the other hand, the Committee has approved each request for additional allocations for supplemental snowmobile trail aids in the past, and might consider allowing the Department to utilize other available snowmobile account funds for supplemental trail aids without Joint Finance approval [Alternative 2].

ALTERNATIVES

1. Modify s. 350.12(4)(br) of the statutes to specify that if supplemental snowmobile aids payable to counties and to the Department exceeds the moneys available from the snowmobile gas tax multiplier and nonresident snowmobile sticker transfer, DNR may only do the following or any combination of the following: (1) prorate the payments; or (2) request the Joint Committee on Finance to take action under s. 13.101 and specify that the finding of an emergency is not required for such requests.

2. Modify s. 350.12(4)(br) of the statutes to specify that if supplemental snowmobile trail aids payable to counties and to the Department exceeds the moneys available from the snowmobile gas tax multiplier and nonresident snowmobile sticker transfer, DNR may prorate the payments or may provide additional funding from other available snowmobile account funds including funds from appropriation 20.370(5)(cr) (county snowmobile aids) and 20.370(5)(cs) (motor fuel tax transfer).

3. Take no action. [Whether the Department would submit requests to JFC for additional allocations for supplemental snowmobile trail aids would depend on DNR interpretation of the provision under s. 350.12(4)(br).]

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