



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

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Joint Committee on Finance

Paper #573

Recreational Vehicle Reestimates (Natural Resources -- Departmentwide)

CURRENT LAW

Transfers are made annually from the transportation fund to the conservation fund to reflect the motor fuel tax used by recreational vehicles, including motorboats, snowmobiles, all-terrain vehicles (ATVs) and utility-terrain vehicles (UTVs). By statute, transfers are based on the fuel tax rate and the number of registered recreational vehicles as of certain dates in the preceding fiscal year. Transfers are budgeted in companion appropriations under the Department of Natural Resources (DNR) and Miscellaneous Appropriations; sum-sufficient appropriations from the transportation fund appear under Miscellaneous Appropriations, while continuing appropriations under DNR receive transfers to make aids payments. Certain other formula appropriations under DNR are based on a number of vehicle registrations or trail passes sold annually.

MODIFICATION

Reestimate DNR continuing appropriations for the ATV and snowmobile accounts of the segregated conservation fund under the recreational vehicle fuel tax formulas as shown in the table. These reflect transfers for estimated recreational vehicle registrations in the 2023-25 biennium and the application of the motor fuel tax rate under current law (30.9¢ per gallon). Amounts are identical to companion sum-sufficient reestimates previously adopted by the Committee in Paper #106 under Miscellaneous Appropriations.

Recreational Vehicle Transfer Reestimates

	Base	Change to Base		Reestimate	
	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2024-25</u>
<i>Conservation Fund</i>					
Recreation aids - snowmobile trail areas	\$5,331,900	-\$25,100	-\$12,400	\$5,306,800	\$5,319,500
Recreation aids - all-terrain and utility terrain vehicle project aids	2,842,400	116,600	255,300	2,959,000	3,097,700

Further, reestimate the DNR supplemental snowmobile trail aids appropriation by \$249,300 in 2023-24 and by \$135,200 in 2024-25 from a base of \$982,300.

Explanation: The following paragraphs describe the reestimate formulas.

Snowmobile: The annual transfer to the snowmobile account is based on: (a) the motor fuel tax rate of 30.9¢ per gallon; (b) the actual 221,602 snowmobiles registered on March 31, 2023, and an estimated 221,131 snowmobiles registered on March 31, 2024, each multiplied by 50 gallons; and (c) multiplied by 1.55.

ATV: The annual transfer to the ATV account is based on: (a) the motor fuel tax of 30.9¢ per gallon and (b) the actual 383,043 ATVs and UTVs registered on February 28, 2023, and an estimated 401,000 ATVs and UTVs registered on February 29, 2024, each multiplied by 25 gallons.

Supplemental Snowmobile Trail Aids: Snowmobile supplemental trail aids are based on the number of nonresident annual snowmobile trail passes sold in the prior fiscal year multiplied by \$47. In 2022-23, 26,205 nonresident annual snowmobile trail passes were sold.

Change to Base	
SEG	\$718,900

Prepared by: Eric Helper