



## Legislative Fiscal Bureau

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

---

June, 2019

Joint Committee on Finance

Paper #521

### **Recreational Vehicle Fuel Tax Transfer (Natural Resources -- Conservation and Recreation)**

[LFB 2019-21 Budget Summary: Page 291, #3 and 301, #8]

---

#### **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.

#### **GOVERNOR**

Increase annual transfers by \$5,625,900 in 2019-20 and \$7,395,500 in 2020-21 from the transportation fund to the ATV (ATVs and UTVs), snowmobile, and water resources (motorboats) accounts of the segregated conservation fund under the recreational vehicle fuel tax formulas, as shown in Table 1. These reestimates are intended to account for increases in the motor fuel tax under the bill.

**TABLE 1****Recreational Vehicle Gas Tax Transfers**

	Base	2019-20		2020-21	
		Change	Total	Change	Total
Motorboats	\$13,140,000	\$2,664,000	\$15,804,000	\$3,840,000	\$16,980,000
Snowmobile	4,670,000	1,643,000	6,313,000	1,965,000	6,635,000
ATVs	1,931,000	1,115,800	3,046,800	1,345,600	3,276,600
UTVs	<u>351,500</u>	<u>203,100</u>	<u>554,600</u>	<u>244,900</u>	<u>596,400</u>
Total	\$20,092,500	\$5,625,900	\$25,718,400	\$7,395,500	\$27,488,000

**MODIFICATION**

Reestimate the revenue transferred from the transportation fund to the ATV, snowmobile, and water resources accounts of the segregated conservation fund under the recreational vehicle fuel tax formulas as shown in Table 2. These reestimates are intended to reflect transfers for estimated recreational vehicle registrations in the 2019-21 biennium and the application of the motor fuel tax rate under current law (30.9¢ per gallon).

**TABLE 2****Recreational Vehicle Motor Fuel Tax Transfer Reestimates**

	Base	Change to Base	Change to Bill	Total
<b>2019-20</b>				
Motorboats	\$13,140,000	-\$80,500	-\$2,744,500	\$13,059,500
Snowmobile	4,670,000	578,300	-1,064,700	5,248,300
ATVs	1,931,000	-56,800	-1,172,600	1,874,200
UTVs	<u>351,500</u>	<u>182,900</u>	<u>-20,200</u>	<u>534,400</u>
Total	\$20,092,500	\$623,900	-\$5,002,000	\$20,716,400
<b>2020-21</b>				
Motorboats	\$13,140,000	-\$188,700	-\$4,028,700	\$12,951,300
Snowmobile	4,670,000	239,200	-1,725,800	4,909,200
ATVs	1,931,000	-56,800	-1,402,400	1,874,200
UTVs	<u>351,500</u>	<u>182,900</u>	<u>-62,000</u>	<u>534,400</u>
Total	\$20,092,500	\$176,600	-\$7,218,900	\$20,269,100

Further, reestimate DNR aids appropriations as shown in Table 3. Basic ATV, UTV and snowmobile trail aids are funded by the motor fuel tax transfer for each vehicle type. 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 2018-19, 19,477 nonresident annual snowmobile trail passes were sold.

**TABLE 3**

**DNR Appropriation Reestimates**

	<u>2019-20</u>	<u>2020-21</u>
Snowmobile Trail Aids	\$578,300	\$239,200
Snowmobile Supplemental Trail Aids	115,400	166,100
ATV Trail Aids	-56,800	-56,800
UTV Trail Aids	<u>182,900</u>	<u>182,900</u>
Change to Base / Change to Bill	\$819,800	\$531,400

**Explanation:** The following paragraphs describe the motor fuel tax reestimate formulas.

**Motorboat:** The annual transfer to the water resources account is based on: (a) the motor fuel tax rate of 30.9¢ per gallon; (b) the actual 603,766 motorboats registered on January 1, 2019, and an estimated 598,800 motorboats registered on January 1, 2020, each multiplied by 50 gallons; and (c) multiplied by 1.4.

**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 219,157 snowmobiles registered on March 31, 2019, and an estimated 205,000 snowmobiles registered on March 31, 2020, each multiplied by 50 gallons; and (c) multiplied by 1.55. Including appropriated registration revenues, local snowmobile trail aids would be budgeted at \$8.1 million each year in the 2019-21 biennium.

**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 242,617 ATVs registered on February 28, 2019, and an estimated 242,600 ATVs registered on February 28, 2020, each multiplied by 25 gallons. Local ATV trail aids would total approximately \$3.5 million each year.

**UTV:** The annual transfer to the ATV account for utility-terrain vehicles is based on: (a) the motor fuel tax of 30.9¢ per gallon; and (b) the actual 69,182 UTVs registered on February 28, 2019, and an estimated 69,200 UTVs registered on February 28, 2020, each multiplied by 25 gallons. UTV trail aids would be approximately \$534,000 in each year of the 2019-21 biennium.

	<b>Change to</b>	
	<b>Base</b>	<b>Bill</b>
SEG	\$2,151,700	- \$10,869,700

Prepared by: Eric Hepler