



## Legislative Fiscal Bureau

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June, 2019

Joint Committee on Finance

Paper #522

### **Off-Highway Motorcycles (Natural Resources -- Conservation and Recreation)**

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#### **CURRENT LAW**

2015 Wisconsin Act 170 created regulations pertaining to off-highway motorcycles (OHMs). An OHM is a two-wheeled motor vehicle that is straddled by the operator, that is equipped with handlebars, and that is designated for off-highway operation. The statutes generally require off-highway motorcycles to be registered with the Department of Natural Resources (DNR). Nonresident users of OHMs must purchase a nonresident trail pass, the revenues for which are deposited in the all-terrain vehicle (ATV) account of the segregated (SEG) conservation fund. All OHM registration revenues are deposited in the state transportation fund. A sum-sufficient appropriation of general purpose revenue (GPR) is made to DNR in the amount equal to OHM registrations. The appropriation is to be used for: (a) OHM projects undertaken by the state or by local government units; (b) issuing and renewing OHM registrations; (c) OHM safety grants, similar to the ATV safety grant program; and (d) state and local law enforcement operations related to OHMs.

#### **GOVERNOR**

As an errata, convert the sum-sufficient GPR appropriation to a transfer to the conservation fund. Create a continuing SEG appropriation for the same purposes currently specified under the GPR appropriation.

#### **DISCUSSION POINTS**

1. DNR received \$41,500 from the sum-sufficient appropriation in 2017-18 and expended \$5,900. As the appropriation is sum-sufficient, the \$35,600 unencumbered amount lapsed to the general fund at the close of the fiscal year. In 2018-19, DNR is appropriated \$60,100 and has

encumbered \$55,000 as of June, 2019.

2. The Governor's recommended errata would be consistent with the treatment of registration and other fees from motorized recreational vehicles that stay in their respective accounts or in continuing appropriations for such purposes as trail aids. The Committee could consider the Governor's recommended errata item providing a new conservation SEG continuing OHM appropriation funded by a transfer of the OHM registrations calculated under current law and appropriated for the same purposes as under current law. The current sum-sufficient appropriation could be repealed. Further, the Committee could reestimate the transfer at \$60,100 each year in the 2019-21 biennium from the adjusted base of \$43,000 (Alternative 1). The Committee could also consider providing an additional \$35,600 GPR in 2019-20 to replenish the OHM appropriation with the amount lapsed from 2017-18 (Alternative 2).

### ALTERNATIVES

1. Repeal s. 20.370 (9)(jb) of the statutes pertaining to OHM regulations and project aids. Create a new conservation SEG continuing OHM appropriation funded by a transfer of the OHM registrations calculated under current law, and appropriated for the same purposes as provided by s. 20.370 (9)(jb). Reestimate the transfer at \$60,100 each year in the 2019-21 biennium.

ALT 1	Change to	
	Base	Bill
GPR	\$34,200	\$34,200
SEG	<u>120,200</u>	<u>120,200</u>
Total	\$154,400	\$154,400

2. Adopt Alternative 1. In addition, transfer \$35,600 in 2019-20. (This would compensate the OHM program for the amounts lapsed in 2017-18.)

ALT 2	Change to	
	Base	Bill
GPR	\$69,800	\$69,800
SEG	<u>155,800</u>	<u>155,800</u>
Total	\$225,600	\$225,600

3. Take no action.

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