



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # SB0038

Title: Revised motorized trail program laws

Primary Sponsor: Gauthier, Terry

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$79,100	\$0	\$79,100
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$79,100	\$0	\$79,100
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 38 adds resident and nonresident dog sleds to the winter trail pass, reduces the nonresident non-snowmobile motorized equipment and mechanical transport pass validity period from two years to one, repeals the nonresident temporary-use snowmobile permit, and adjusts the department's state special revenue distribution of the winter trail pass fees.

FISCAL ANALYSIS

Assumptions:

Department of Fish, Wildlife & Parks (FWP)

1. The bill changes the name of the resident snowmobile trail pass, nonresident trail pass, and nonresident temporary-use snowmobile permit to the resident winter trail pass and nonresident winter trail pass.
2. The bill categorizes snowmobiles, dog sleds, and motorized equipment or mechanical transport to have a resident winter trail pass or a nonresident winter trail pass.
3. The department does not have valid data for how many dog sleds are active in Montana and will purchase the pass. The department is not able to estimate a fiscal impact.

4. All passes are assumed to be purchased through a licensing vendor for this fiscal impact.
5. The bill reduces the validity period for nonresident non-snowmobile motorized equipment and mechanical transport from two years to one year.
6. The pass for nonresident non-snowmobile motorized equipment and mechanical transport has not been in effect long enough for the department to have an adequate count to project future number of passes. The department estimates total number of passes to remain static to the 2,260 passes sold in FY 2020. The pass was implemented on an even year. Estimated revenue increase for odd years is \$79,100 in FY 2023 and \$79,100 in FY 2025. (Table 1)

Table 1

Revenue increase for validity period from two years to one year			
	Pass Fee	FY 2023	FY 2025
Estimated passes to be sold in odd years		2,260	2,260
Fee Distribution Category			
FWP Enforcement	\$1.50	\$3,390.00	\$3,390.00
Licensing Vendor	\$2.00	\$4,520.00	\$4,520.00
Search and Rescue	\$0.50	\$1,130.00	\$1,130.00
FWP Snowmobile Program	\$31.00	\$70,060.00	\$70,060.00
Total Pass Revenue	\$35.00	\$79,100.00	\$79,100.00

7. The new revenue received in FY 2023 and FY 2025 will be expended by the fee distribution category. FWP Enforcement will use the \$3,390 for operational expenses to enforce snowmobile laws. The search and rescue surcharge of \$1,130 will be transferred to Military Affairs. The licensing vendor fee of \$4,520 will be an operational expense to the department for external vendors to sell the decals. The FWP Snowmobile grooming program will use the revenue to provide additional grants to local snowmobile clubs and purchase equipment for grooming trails.
8. The bill repeals 23-2-615, MCA, Nonresident Temporary-Use Snowmobile Permit and adds this snowmobile category to the proposed changes to 23-2-636, MCA.
9. The fees for the current resident snowmobile trail pass in 23-2-636, MCA, are distributed as follows: \$2 to the vendor who sold the trail pass, \$1 for enforcement of snowmobile laws, and the remaining \$17 to the department to award grants to snowmobile area operators.
10. The fees for the current nonresident trail pass in 23-2-636, MCA, are distributed as follows: \$2 to the vendor who sold the trail pass, \$1 for enforcement of snowmobile laws, and the remaining \$32 to the department to award grants to snowmobile area operators.
11. The fees for the nonresident temporary-use snowmobile permit in 23-2-615, MCA, are distributed as follows: \$11 to be expended in areas impacted by nonresident snowmobile use to offset grooming costs, \$0.50 search and rescue surcharge, \$2.50 for enforcement of snowmobile laws, \$1 to the licensing vendor who sold the permit, and \$20 to the department for statewide snowmobile trail grooming program.
12. The bill adjusts the fee revenue distribution to the department’s state special revenue funds for the \$20 resident winter pass and the \$35 nonresident winter trail pass as follows: \$2 to the vendor who sold the trail pass, \$1.50 for enforcement of snowmobile laws, \$0.50 search and rescue surcharge, and the remaining \$16 resident fee and \$31 nonresident fee to the department’s snowmobile trail grooming program.

