

Snowmobile Recreation Council Funding & New Trail Mile Report
prepared for the Joint Committee on Finance
January 1, 2019

This Report has been approved and is submitted to the WI Joint Committee on Finance by the Governor’s Snowmobile Recreation Council (Council). This report was prepared in response to the directive by the Joint Committee on Finance in Motion #328 as required by the 2017-2019 biennial budget regarding Snowmobile Trails Aids.

Background:

The Wisconsin snowmobile program is an excellent example of government and non-profit volunteer-based snowmobile clubs working together to produce a statewide trail system that is second to none. The program, which has been in existence since the early 1970s, continues to be almost entirely self-funded by snowmobilers. The program is administered by the Wisconsin Department of Natural Resources (WDNR). Grant funds are distributed through grant contracts to counties who subcontract with local snowmobile clubs to maintain the majority of the 19,000+ miles of funded trails statewide. A Governor-appointed, fifteen-person citizen board, the Council, makes recommendations to the DNR on program management and grant funding.

Findings:

Segregated snowmobile fund revenues come from the following sources:

- Registration: \$30 per snowmobile, 3-year term (previously 2-year term)
- Gas tax: \$.309 x 50 gallons per registered snowmobile x 1.55 (55% for supplemental maintenance)
- Resident Trail Pass:
 - \$30 non-club member
 - \$10 member of a snowmobile club and the Association of Wisconsin Snowmobile Clubs (AWSC)
- Non-resident Trail Pass: \$50 per snowmobile not registered in Wisconsin

The resident trail pass (effective July 1, 2015) was meant to accomplish two things: (1) Provide a much-needed increase in the revenue for the snowmobile program and (2) Provide an incentive for snowmobilers to join a club by allowing snowmobile club members to purchase the trail pass at a discounted price. It is these clubs and their volunteer members who maintain most of the nearly 25,000 miles of funded and unfunded snowmobile trails open to the public in Wisconsin. Over the past three years, the trail pass has met both objectives. The following chart shows new resident trail pass revenues of approximately \$2.5 million per year. During the same timeframe, annual registration revenues have decreased due to the change from a 2-year term to a 3-year registration term.

	Resident Trail Pass Revenue	Registration Revenue
FY15	\$ 0	\$ 2,879,182
FY16	\$ 2,379,685	\$ 2,547,386
FY17	\$ 2,591,084	\$ 2,913,820
FY18	\$ 2,516,473	\$ 1,282,196*

*The 3rd year of the new 3-year registration term.

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When contemplating snowmobile revenues, whether from registration or trail pass sales, it's important to note that the snowfall level and weather are the single biggest determining factor. Therefore, it's difficult to estimate future amounts.

Memberships in snowmobile clubs have increased by over 50% in the past 5 years, from 26,413 in 2014 to 40,656 today. There are about 615 snowmobile clubs in Wisconsin.

A. Annual Maintenance Grants

After the first year of trail pass revenue was known, the Council recommended increasing annual trail maintenance rates from \$250 to \$300 per miles. This amounts to an increase of over \$1 million in annual maintenance grant funding. Maintenance grants are awarded annually, regardless of snowfall amounts, because trails must be put in (prepared) prior to the season which includes putting up signs, clearing brush in wooded areas, discing in farm fields, etc. When spring arrives, the trails must be taken out. In good years, snow is groomed on all those trails. The Council felt increasing maintenance rates was the best way to fairly distribute some of the additional revenue to the clubs who own the expensive equipment used to maintain the snowmobile trails.

B. Development Grants

At the last Council funding meeting in August 2018, there was \$3,408,339 available for trail development projects in the snowmobile account. This was after \$5,686,180 had been awarded for annual maintenance grants.

This year was the 3rd year of the new registration term, meaning that registration is required only for new snowmobiles and for machines with lapsed registrations that had lapsed longer than 3-years. The available funding amount was higher than would have been expected due the Council's forethought. In each of the previous 2 funding cycles, the Council chose not to award \$1 million in revenues to prepare for the anticipated reduced revenues in Year 03.

The Council was able to fund all development grant requests for the first time in many years. The current fund balance of nearly 1 million will be used, in part, for storm damage repairs needed after this summer's storms. Funds not used, will be available to fund new/club miles in 2019.

C. Supplemental Maintenance Grants

Additional funds left in the supplemental portion of the program were also carried over to prevent having to pro-rate supplemental maintenance payments. Supplemental maintenance is needed for areas with excessive snowfall and/or extended snowmobile seasons during good snow years. It provides additional reimbursement to the county/clubs for additional trail grooming.

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When considering grant requests, the Council is bound by chs. 350 and 23, Wis. Stats., and ch. NR 50, Wis. Admin. Code. The distribution of grant funds is determined based on the priority list established in s. 23.09(26)(c), Wis. Stats, as follows:

1. Maintenance of existing approved trails. This includes: purchase of county liability insurance, and acquisition of easements of less than 3 years, and signs.
2. Club signing program (obsolete)
3. Major bridge reconstruction or rehabilitation
4. Route signing program
5. Trail Rehabilitation, in the following order:
 - a. Mandatory Trail Relocation
 - b. Discretionary Trail Relocation
 - c. Trail Rehabilitation
6. Development of New Trails, in the following order:
 - a. New bridges
 - b. New trails (new miles)
 - c. Facilities
 - d. Land Acquisition

Conclusions of the Governor's Snowmobile Recreation Council:

- **Accurate depiction of existing trails needed. – In Progress**
After requiring all counties to use a GIS system to accurately map the location and mileage of their trail system by April 2018, it was determined additional information was needed. Counties were given a new deadline of December 31, 2018, to provide additional information.
- **Method to fairly evaluate and rank the new mile applications on a statewide basis needed. – Completed**
Over the past year, the Council updated the New Trail Ranking worksheet. It was approved at their August 2018 meeting. This worksheet is required to accompany all new-mile applications. The worksheet was developed based on Wis. Stats., Wis. Admin. code, and Council policy. – Appendix B Attached
- **Fund new miles in a priority-ranked order using available funding. – August 2019**
It is important to recognize the long-term cost to the program. For each mile of trail approved for funding it will cost the program \$300 per mile (and potentially up to \$900 if the county qualifies for supplemental) for every year in the future.

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Recommendations of the Governor's Snowmobile Recreation Council:

While the snowmobile program seems to be in a better financial condition than it has in several years, there are still several roadblocks preventing the Council from funding as many trails as the clubs and the public would like. The Council would welcome any assistance the Joint Committee on Finance could provide in addressing the following problems.

1) 40' Rule – Current statute prohibits a snowmobile trail with two-way traffic located within 40 feet of a roadway without a light barrier. While this has been the rule for many years, numerous trails exist in violation of this requirement. The Council has been unsuccessful in changing this requirement by requesting this of DNR and DOT. The Council feels that a 10-foot minimum would be satisfactory, especially when most of these trails are on lightly-traveled roads. Typically, physical obstructions/terrain prohibits the trails from maintaining the 40' buffer. We anticipate that many new trail requests will not be able to meet this standard which will prohibit the Council from recommending those requests for funding. Perhaps a solution would be legislation allowing a more reasonable distance or eliminating the requirement. [s. 350.02\(2\)\(b\)4.](#), Wis. Stats.

2) Non-Resident Trail Pass Revenue Loss – Under the current DNR system, trail passes must be ordered in advance and the trail pass stickers are mailed to the customer. Snowmobilers can ride with the receipt until the physical pass arrives in the mail. Delay in the receipt of actual trail pass stickers has created numerous complaints from snowmobilers, particularly regarding Non-Resident Trail Pass sales.

Before the implementation of the Go Wild system, the DNR had many vendors across the state that were able to sell trail pass stickers directly to non-residents once those enthusiasts arrived in Wisconsin and they were ready to ride. Now, with the Go Wild system, non-residents are arriving in WI only to find that immediate stickers are not available and they should have ordered their trail pass in advance so that a physical sticker would arrive before they left home and be applied to their sleds. The only option for these non-residents is to purchase the trail pass online and ride with the receipt. This sequence of events has several negative impacts:

1- When non-residents return home, a physical pass is waiting in their mailbox, which they share with their friend who is coming to Wisconsin to ride at a later date. Their friends are skipping the trail pass sticker process.

2- Both non-resident riders and law enforcement officers are complaining about being stopped/stopping riders multiple times for not having a sticker, even though the non-resident is legally riding with a receipt.

The Council would like to see physical non-resident trail passes immediately available for sale, as was the case before the Go Wild system was implemented.

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3) Dealer Portal in Go Wild – Since the implementation of the Go Wild system and elimination of the old Vehicle Registration System (VRS), it has gotten more cumbersome for recreational vehicle dealers to register machines. The Council and dealers would like to see the DNR create a Dealer Portal in Go Wild that would eliminate some of the paperwork and lengthy process required to register a newly-purchase recreation vehicle. The DNR has expressed willingness to develop such a portal within Go Wild.