TRAIL: ATV Fees WLC: 0038/1

DWS:ksm 12/20/2006

AN ACT *to renumber and amend* 23.33 (2j) (c); *to amend* 23.33 (2) (c), 23.33 (2) (d) and 23.33 (2) (dm) 2.; and *to create* 23.33 (2j) (c) 2. of the statutes; **relating to:** fees for registration of all-terrain vehicles for public and private use, fees for commercial all-terrain vehicle certificates, and fees for nonresident all-terrain vehicle trail passes.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill draft was prepared for the Joint Legislative Council's Special Committee on State Trails Policy.

Please note that the numbers used in the revenue calculations in this draft are general estimates and are subject to variations in the numbers of registrations, certificates, and trail passes purchased in the future. It is difficult to discern how an increase in ownership costs may affect future purchases of registrations, certificates, and trail passes.

- **SECTION 1.** 23.33 (2) (c) of the statutes is amended to read:
- 7 23.33 (2) (c) Registration; public use; fee. Any all-terrain vehicle may be registered
- 8 for public use. The fee for the issuance or renewal of a registration certificate for public use
- 9 is \$30 \$75.

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Note: Under current law, no person may operate, and no owner may give permission for the operation of, an all-terrain vehicle (ATV) within the state of Wisconsin unless the ATV is registered for public use (i.e., for use on public trails or routes), private use (i.e., used exclusively on private property), is exempt from registration or is certified for commercial use (i.e., manufacturers, dealers, or distributors or persons engaged in the business of renting ATVs).

This provision increases the fee for issuance or renewal of a registration certificate for public use of an ATV from \$30 to \$75. The registration is valid for 2 years.

COMMENT: Based on department of natural resources (DNR) estimates of approximately 230,000 public ATV registrations (calculated at \$115,000 per year to generate annual number), the current fee raises about \$3.5 million annually. Assuming the same 230,000 registrations, under this provision of the bill, the fee increase would raise approximately \$8.5 million annually. The result is an increase in revenue of approximately \$5 million annually.

SECTION 2. 23.33 (2) (d) of the statutes is amended to read:

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- 2 23.33 (2) (d) Registration; private use; fee. An all-terrain vehicle used exclusively for
- 3 agricultural purposes or used exclusively on private property may be registered for private use.
- The fee for the issuance of a registration certificate for private use is \$15 \$20.

Note: This provision increases the fee for issuance or renewal of a registration certificate for private use of an ATV from \$15 to \$20. The private registration is valid from initial purchase of the registration to the time that ownership is transferred.

COMMENT: The DNR estimates that approximately 5,000 ATVs are registered for private use each year. The fee current \$15 raises about \$75,000 annually. Assuming a continued 5,000 private registrations a year, the increased fee, at \$20 would raise approximately \$100,000 per year. The result is a revenue increase of approximately \$25,000 annually.

SECTION 3. 23.33 (2) (dm) 2. of the statutes is amended to read:

23.33 (2) (dm) 2. The fee for the issuance or renewal of a commercial all-terrain vehicle certificate is \$90 \$125. Upon receipt of the application form required by the department and the fee required under this subdivision, the department shall issue to the applicant a commercial all-terrain vehicle certificate and 3 reflectorized plates. The fee for additional reflectorized plates is \$30 \$50 per plate.

Note: This provision increases the fee for issuance or renewal of a certificate for commercial use of an ATV from \$90 to \$125. The commercial certificate is valid for 2 years.

COMMENT: Based on DNR estimates of approximately 650 commercial ATV certificates annually, the fee currently raises about \$60,000 annually. Assuming the same 650 annual registrations in the future,

under this provision of the bill, the fee increase would raise approximately \$80,000 annually. This results in a revenue increase of about \$20,000 annually.

The fee for additional plates is also increased under this provision. The current fee of \$30 per plate is increased to \$50 per plate for each additional plate required. The DNR estimates of approximately 100 additional plates sold per year result in revenue of approximately \$3,000 annually under current law and approximately \$5,000 annually under the new provisions. The increase results in an approximate increase of \$2,000 annually.

SECTION 4. 23.33 (2j) (c) of the statutes is renumbered 23.33 (2j) (c) 1. and amended to read:

23.33 (2j) (c) 1. The fee for a <u>an annual</u> nonresident trail pass issued for an all-terrain vehicle that is exempt from registration under sub. (2) (b) 2. is \$17.25 \$74.25. A <u>An annual</u> nonresident trail pass issued for such an all-terrain vehicle may be issued only by the department and persons appointed by the department and expires on June 30 of each year.

SECTION 5. 23.33 (2j) (c) 2. of the statutes is created to read:

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23.33 (2j) (c) 2. The fee for a 7-day nonresident trail pass issued for an all-terrain vehicle that is exempt from registration under sub. (2) (b) 2. is \$37.25. A 7-day nonresident trail pass issued for such an all-terrain vehicle may be issued only by the department and persons appointed by the department and expires seven days after issuance.

Note: These provisions increases the annual fee for a nonresident all-terrain vehicle (ATV) trail pass to \$74.25 and establishes a 7-day nonresident trail pass for a fee of \$37.25. The current statute requires the department of natural resources to collect an issuing fee of \$0.75 for issuing a nonresident ATV trail pass.

COMMENT: This provision will increase the amount of the total fee for each the annual and 7-day nonresident trail pass to \$75 and \$38, respectively. Based on current nonresident ATV trail pass sales estimates of 12,500 annually, the current fee raises approximately \$215,000 annually. Assuming, under the new fees that 80% of the nonresidential ATV trail users will purchase a weekly pass and the remaining 20% of nonresident ATV trail users will purchase an annual

pass, the weekly pass will raise approximately \$380,000 annually and the annual pass approximately \$190,000 annually. This results in total annual revenue of approximately 570,000, an increase of approximately \$355,000 annually.

SECTION 6. Initial applicability.

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- 2 (1) FEE INCREASE. The treatment of section 23.33 (2) (c), (d), (dm) 2. of the statutes first applies to all-terrain vehicle registration certificates issued or renewed on the effective date of this subsection.
 - (2) FEE INCREASE The treatment of sections 23.33 (2j) (c) of the statutes first applies to annual nonresident trail passes issues or renewed after January 1, 2009.

7 (END)