



**Senate Fiscal Agency**  
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**BILL ANALYSIS**

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Senate Bill 552 (as reported without amendment)  
Sponsor: Senator Goeff Hansen  
Committee: Outdoor Recreation and Tourism

**CONTENT**

The bill would amend Part 811 (Off-Road Recreation Vehicles) of the Natural Resources and Environmental Protection Act to extend the following for five years:

- Off-road vehicle (ORV) annual license fees, which are scheduled to expire after the April 1, 2018, to March 30, 2019, licensing period.
- A requirement that the Secretary of State, until October 1, 2019, credit ORV record look-up fees to the Transportation Administration Collection Fund.

MCL 324.81114 & 324.81116

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

The bill would have a positive fiscal impact on the Department of Natural Resources (DNR) and county sheriffs after October 1, 2019, and no fiscal impact before that. The bill would delay the sunset of license fees for off-road vehicles. In total, these fees generate about \$7.0 million to \$7.5 million per year, which is required by statute to be spent as follows:

- Not less than 50% must be distributed as grants for planning, improving, constructing, signing, or maintaining ORV trails.
- Not less than 31.25% must be spent on law enforcement; 24% of this amount must be distributed as grants to county sheriffs.
- Not less than 12.5% must be distributed as grants to public agencies or nonprofits for the repair of damage done by ORVs on public land.
- Not more than 3.125% must be spent by the DNR for administration.
- The remaining 3.125% must be distributed as grants for planning, improving, constructing, signing, or maintaining ORV trails, or for law enforcement.

The bill also would have a negligible fiscal impact on the Department of State. While the current fee for a record look-up is \$11, the Department has stated that there are relatively few requests for the records of off-road vehicles. Any fees received by the Department for record look-ups are deposited into the Transportation Administration Collection Fund (TACF), which is the main funding source for the Department. In FY 2016-17, the total funds collected in the TACF are estimated at \$130.0 million. Again, according to the Department, the revenue received annually for ORV records is minimal. Before the fees were deposited into the TACF, they were deposited into the Record Look-Up Fee fund, which also was used as a funding source by the Department. If the sunset takes place, the fees presumably will be allocated as they were in the past.

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