



Toolkits for the Quiet Majority Challenging Public Funding of Motorized Recreation

Frequently Asked Questions about Public Funding of Motorized Recreation

How are motorized recreation gas-taxes collected? At the pump. Minnesotans pay \$0.20 per gallon gas tax at the pump, of which over 2.5% goes to dedicated accounts for snowmobiles, ATVs, dirt-bike motorcycles, four-wheel drive trucks and motorboats.

How much are Minnesotans paying at the pump each year for motorized recreation?
Over \$15 million each year.

What happens if my family drives more this year to visit more parks, will I pay more in?
Yes, the more gas you buy, even to escape motorized recreation, the more motorized recreation you get.

Why do these machines get gas-tax revenue? The state's gas-tax exists partly to provide for the development and maintenance of our roads. Based on the erroneous belief that these machines do not travel in the state's public right-of-ways, snowmobile, ATV, dirt-bike motorcycle and four-wheel drive truck clubs take funds out of "roads and bridges" to build trails and scramble areas in the state's natural areas.

It is a fundamental error in justifications for public gas-tax funding of motorized recreation to claim that snowmobiles, ATVs, dirt-bike motorcycles and four-wheel drive trucks do not use Minnesota's right-of-ways. The Minnesota DNR's distributes booklets showing operators of these machines just where they can go in Minnesota's right-of-ways. Not only are these machines non-paying users of Minnesota's right-of-ways, they are causing significant damage. Minnesota Department of Transportation proposed a prohibition on these machines along trunk highways because of the accumulating damage they are causing to the roadway, wetlands, drainage, wildlife habitat and scenic values.

Minnesota claims over 18,000 miles in snowmobile trails. Much of this system runs in Minnesota's right-of-ways.

Who decides how much each form of motorized recreation gets? Currently snowmobilers get 1%, ATVers .0015%, dirt-bike motorcyclers .046%, four-wheel drive truckers .00164% and motorboats 1.5% of the state's annually collected gas-tax revenue. These percentages are based on "use and consumption" studies commissioned by the legislature and are supposed to reflect how much of the state's gas is going into each type of machine. In 2006 the ATVers are asking for an increase in public gas-tax funding based on new "use and consumption" data showing increased numbers of machines burning increased quantities of gasoline.

You mean the more gas each form of motorized recreation burns, the more public funding they eventually "earn"? Yes.

Minnesota is considering a \$0.10 per gallon increase in the state's gas tax. Would this increase the amount going to motorized recreation? Yes, significantly.

Can public funds for snowmobile clubs only be used for trail grooming expense and what does that expense consist of? The "Minnesota Snowmobile Trails Assistance Program Instruction Manual defines what club members can be reimbursed for doing. Record keeping, mileage, attending meetings, computers and computer time, bulldozing, trail grooming, weed-wacking, chain sawing are all allowable "expenses". In the traditional bookkeeping required of clubs a Request for Reimbursement must be provided to the fiscal agent showing who did what when where and how in order to receive funds.

Can a Snowmobile Club pay a club member a big salary to groom trails? Until the Dave Dill story we'd never heard of anyone in a club being referred to as "an employee", as Dave was. Rep. Dill was receiving up to \$40,000 a year as "Trail Administrator" for the Voyageur Trail Society, Inc. It is a matter of record (we have copies of the club checks) that Dave's club was also paying \$440 a month to Blue Cross/Blue Shield for health insurance for his family. Dave Dill brought five snowmobile clubs together under a relatively new "Performance Grant" system in which requires less documentation of how public funds are spent.

As fiscal agents how does a city, township or county fiscal agent know what is a fair and reasonable compensation? The DNR's Grant In Aid manual provides a schedule of "Allowable Costs". Labor is reimbursed at \$10.00. There are costs per hour for the use of a long list of machines: Chainsaws: \$5.00, Backhoe \$45, Bobcat \$33.50, D-8 Caterpillar Tractor \$100.

What is required of fiscal agents? The contract the local unit of government signs with the DNR requires that before disbursing public funds, the local unit of governments must have written permission from all property owners whose land is crossed by the sponsored and public funded motorized route and permits for crossing waters and wetlands. Generally fiscal agents simply do not written permission to cross private property, meaning they are in violation of their funding agreements with the DNR. As a veteran land manager in northern Minnesota recently noted "Most snowmobile trails were created through trespass."

Can a club pay a member benefits who has not even worked on trail grooming---ie Dave Dill? I don't believe a club could legally pay a "member" benefits, but Rep Dill received benefits as an employee of the Voyageurs Trail Society, Inc. But again, MRR had never heard of a Trail Administrator be referred to as an "employee". Paying health insurance is not an allowable expense in the trail assistance program manual.

How can we really be absolutely sure the work was done and the clubs are not playing games with the money?

Rep. Dave Dill's snowmobile club, the Voyageurs Trail Society, Inc., like many clubs, commingles public funds with pull-tab gambling funds. In the Dill case it was impossible to match allowable expenditures with revenue source. Dave's club was getting \$80,000 each year to "groom trails". IRS documents showed only a little over \$7,000 was actually being used to groom trails. MRR discovered and the state auditor corroborated that the City of Orr, fiscal agent to Dill's club (and with whom Dill was employed as City Administrator) was making annual public trail payments of at least \$5,000 to the Orr American Legion to settle a pull-tab gambling turf war between the snowmobile club and legion.

How detailed a report from the club on the use of grant and aid money can we request?

Unlike the rest of the world, very little reporting is required of clubs,

Don't clubs have to be incorporated or are local governments giving public funds to private individuals? Clubs do not need to be incorporated and many are not which means public funds are being disbursed to private individuals.

What did the 2003 legislative audit say about public funding of motorized recreation?

“Snowmobile and ATV clubs are operating largely on their own.” It recommends the simple “Michigan Model” in which a land manager inspects a site or route after funds are disbursed. Not rocket science. The audit also recommends reductions in public funding for clubs that violate local, state or federal laws or the terms of their grants. 2003 Minnesota Office of the Legislative Auditor’s *Program Evaluation Report: State Funded Trails for Motorized Recreation*. MRR has one-page legislation with Rep. Alice Hausman, House File 2794, that would implement the recommendations of the 2003 legislative audit..

What would my grandmother say about public funding of motorized recreation? If you make a mess clean it up. If you break something, replace it. If you cheat you don't get more.

What information can we get from fiscal agents about the use of public funds? There are small number of simple documents involved in the disbursement of public funds to motorized recreation clubs. Go to MRR’s *Toolkit for the Quiet Majority, Requesting Public Data*, fill in the blanks and mail a comprehensive request. With just a bit more effort you'll have a fascinating and revealing bunch of data in front of you and your neighbors.

How does MRR want public funds to be spent on motorized recreation? MRR wants a shift in priorities from “promotion” of motorized recreation to “mitigation” of the accumulating unwanted effects of motorized recreation. This includes five basic items:

- Public and environmental review to select routes for motorized recreation
- Designated routes only policy requiring machines to stay on selected routes
- Adequate enforcement to keep riders on routes
- Funds to repair accumulating damage
- Oversight and accountability to ensure above are accomplished.

What can people do who simply don't want to fund motorized recreation? Contact your county commissioner and ask him or her not to support future resolutions to disburse public funds for motorized recreation. Contact MRR for assistance in organizing your neighbors to challenge local resolutions to disburse public funds to snowmobile and ATV clubs.

What would MRR tell fiscal agents? What should I say to my county commissioner?

MRR would recommend the following guidelines for fiscal agents:

- First, pass a resolution taking 25% of all snowmobile and ATV grants administered by the local government to defray costs of contract compliance, trail inspection, repair, communication with clubs.
- Recognize that the funds you are disbursing are public funds generated largely through gas-taxes. Every constituent who buys gas has standing as a stakeholder in motorized recreation decisions. One percent of the tax on every sale of gasoline in Minnesota goes to a "dedicated account for snowmobiles". Snowmobilers get around \$0.5 million dollars every year whether it snows or not. If you drive twice as far, you contribute twice as much to every

form of motorized recreation. At the pump one also pays into dedicated accounts for ATVs, dirt-bike motorcycles, four-wheel drive trucks, and motorboats.

- Meet your contractual obligations, the primary one is to have written permission and other permits in hand before disbursing public funds. Check your files. Don't disburse funds in violation of your agreements with the state.
- Engage in public and environmental review at some level to make sure existing motorized routes are still desired and to identify any problems needing to be resolved
- Engage in formal public and environmental review, i.e., completion of an Environmental Assessment Worksheet, recommended by the legislative auditor, before funding any new motorized routes
- A quiet majority exists. The 2001 St. Louis County Outdoor Recreation Survey finds that 53-73% of respondents *run, backpack, paddle, bicycle, hike or cross-country ski* daily (Table 4, p. 6). 89 – 93% of these respondents “believe outdoor recreation is very important to them” (Table 5, p. 7). Survey respondents “like most” the opportunity to experience *scenery, wildlife, wildflowers, trees* (71%) and *quiet, peaceful* environments (59%) (Table 13, p 16). 43 – 69% of those engaged in nature study, running, hiking, snowshoeing, wildlife viewing, canoeing/kayaking or cross-country skiing “stopped recreating in an area due to the conflict or safety concerns with other recreation” (Table 12, p. 16). “Snowmobiles, ATVs and jet skis “were most commonly identified as conflicting with survey respondents desired activity” (Table 11, p. 15) (*St. Louis County Recreation Participation Survey*, County of St. Louis, 2001)

If the public is to continue funding motorized recreation resolutions should be amended to reflect the will of the people. If for example, residents are upset about the high speed of machines on a particular trail, amend the funding resolution providing to restrict speed to a level acceptable to residents. Perhaps a curfew should be included the resolution. If a funded trail has resulted in damage, a resolution might redirect funds to repair that damage.

How can I learn more and get involved in redirecting public funds to protect our state from the unwanted effects of motorized recreation? Check out MRR's calendar on our website – www.MnResponsibleRec.org or contact us to attend or host a local workshop.

One thing is for sure. Following the motorized money trail is always an enlightening adventure. Why not "audit" your local snowmobile or ATV club and see how your tax dollars are being used? Better yet, expect the club's fiscal agent to do this job for you and ask for your review.

Can find the answer to your question?

Contact MRR.

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