

A bill for an act

relating to natural resources; eliminating gas-tax revenue for motorized recreation; modifying provisions for motorized trail grants-in-aid; requiring rulemaking to implement recommendations for state-funded motorized recreational trails; amending Minnesota Statutes 2006, sections 84.794, subdivision 1; 84.803, subdivision 1; 84.83, subdivision 2; 84.927, subdivision 1; 84.930; 86B.706, subdivision 3; Minnesota Statutes 2007 Supplement, section 86B.706, subdivision 2; repealing Minnesota Statutes 2006, section 296A.18, subdivisions 2, 3, 4, 5, 6.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2006, section 84.794, subdivision 1, is amended to read:

Subdivision 1. **Registration revenue.** Fees from the registration of off-highway motorcycles ~~and the unrefunded gasoline tax attributable to off-highway motorcycle use under section 296A.18~~ must be deposited in the state treasury and credited to the off-highway motorcycle account in the natural resources fund.

Sec. 2. Minnesota Statutes 2006, section 84.803, subdivision 1, is amended to read:

Subdivision 1. **Registration revenue.** Fees from the registration of off-road vehicles ~~and unrefunded gasoline tax attributable to off-road vehicle use under section 296A.18~~ must be deposited in the state treasury and credited to the off-road vehicle account in the natural resources fund.

Sec. 3. Minnesota Statutes 2006, section 84.83, subdivision 2, is amended to read:

Subd. 2. **Money deposited in the account.** Fees from the registration of snowmobiles ~~and the unrefunded gasoline tax attributable to snowmobile use pursuant to~~

2.1 ~~section 296A.18~~ shall be deposited in the state treasury and credited to the snowmobile  
2.2 trails and enforcement account.

2.3 Sec. 4. Minnesota Statutes 2006, section 84.927, subdivision 1, is amended to read:

2.4 Subdivision 1. **Registration revenue.** Fees from the registration of all-terrain  
2.5 vehicles and ~~the unrefunded gasoline tax attributable to all-terrain vehicle use under~~  
2.6 ~~section 296A.18, as well as~~ the net proceeds from the sale of all-terrain vehicles forfeited  
2.7 pursuant to section 169A.63, shall be deposited in the state treasury and credited to the  
2.8 all-terrain vehicle account in the natural resources fund.

2.9 Sec. 5. Minnesota Statutes 2006, section 84.930, is amended to read:

2.10 **84.930 MOTORIZED TRAIL GRANTS-IN-AID.**

2.11 Subdivision 1. **Initial violation.** (a) This section applies to grants-in-aid for  
2.12 motorized trail construction and maintenance under sections 84.794, 84.803, 84.83, and  
2.13 84.927.

2.14 (b) If the commissioner of natural resources determines that a grant-in-aid recipient  
2.15 has violated any federal or state law, any local ordinance, or any of the terms of the  
2.16 grant agreement with the commissioner, the commissioner ~~may~~ must withhold all grant  
2.17 payments for any work occurring after the date the recipient was notified of the violation  
2.18 and must seek restitution for any property damage caused by the violation. For a first  
2.19 violation, the commissioner must issue a warning that subsequent violations will result in  
2.20 the penalties under subdivision 2.

2.21 Subd. 2. **Subsequent violations.** If, after a first violation under subdivision 1, the  
2.22 commissioner determines that a grant-in-aid recipient has again violated any federal  
2.23 or state law, any local ordinance, or any of the terms of the grant agreement with the  
2.24 commissioner, the commissioner must impose the penalties under subdivision 1, and must:

2.25 (1) for a second violation, suspend any grant payments and disallow grant eligibility  
2.26 for one year; and

2.27 (2) for a third or subsequent violation, designate the grant recipient as ineligible  
2.28 for any future grant.

2.29 Subd. 3. **Appeal.** (c) A grant-in-aid recipient may appeal the commissioner's  
2.30 decision under ~~paragraph (b)~~ subdivision 1 or 2 in a contested case hearing under section  
2.31 14.58.

2.32 Sec. 6. Minnesota Statutes 2007 Supplement, section 86B.706, subdivision 2, is  
2.33 amended to read:

3.1 Subd. 2. **Money deposited in account.** The following shall be deposited in the state  
3.2 treasury and credited to the water recreation account:

3.3 (1) fees from titling and licensing of watercraft under this chapter;

3.4 (2) fines, installment payments, and forfeited bail according to section 86B.705,  
3.5 subdivision 2;

3.6 (3) mooring fees and receipts from the sale of marine gas at state-operated or  
3.7 state-assisted small craft harbors and mooring facilities according to section 86A.21; and

3.8 (4) ~~the unrefunded gasoline tax attributable to watercraft use under section 296A.18;~~  
3.9 ~~and~~

3.10 (5) fees for permits issued to control or harvest aquatic plants other than wild rice  
3.11 under section 103G.615, subdivision 2.

3.12 Sec. 7. Minnesota Statutes 2006, section 86B.706, subdivision 3, is amended to read:

3.13 Subd. 3. **Purposes.** The money in the account may be expended only as  
3.14 appropriated by law for the following purposes:

3.15 (1) ~~as directed under section 296A.18, subdivision 2,~~ for acquisition, development,  
3.16 maintenance, and rehabilitation of public water access and boating facilities on public  
3.17 waters; lake and river improvements; and boat and water safety;

3.18 (2) from the fees collected at state-operated or state-assisted small craft harbors  
3.19 and mooring facilities from daily and seasonal moorings and the sale of marine gas, for  
3.20 maintenance, operation, replacement, and expansion of these facilities and for the debt  
3.21 service on state bonds sold to finance these facilities;

3.22 (3) for administration and enforcement of this chapter as it pertains to titling  
3.23 and licensing of watercraft and use and safe operation of watercraft; grants for  
3.24 county-sponsored and administered boat and water safety programs; and state boat and  
3.25 water safety efforts;

3.26 (4) for management of aquatic invasive species and the implementation of chapter  
3.27 84D as it pertains to aquatic invasive species, including control, public awareness, law  
3.28 enforcement, assessment and monitoring, management planning, and research; and

3.29 (5) for management of aquatic plants and the implementation of section 103G.615 as  
3.30 it pertains to aquatic plants, including plant removal permitting, control, public awareness,  
3.31 law enforcement, assessment and monitoring, management planning, and research.

3.32 Sec. 8. **REQUIRED RULEMAKING; MOTORIZED TRAILS.**

3.33 (a) The commissioner of natural resources shall adopt rules to implement the  
3.34 recommendations of the Office of the Legislative Auditor, contained in the program

4.1 evaluation report "State-Funded Trails for Motorized Recreation" (January 2003),  
4.2 including but not limited to the following:

4.3 (1) require that environmental assessment worksheets be completed for off-highway  
4.4 vehicle projects;

4.5 (2) increase the level of oversight that the commissioner provides off-highway  
4.6 vehicle grants-in-aid trails and not rely on indirect and ad hoc oversight. According to the  
4.7 auditor's report, the commissioner shall adopt the oversight process used in Michigan,  
4.8 which requires clubs to submit engineering plans before trail work on public land is  
4.9 carried out and requires the commissioner to inspect the trail work after it is completed;

4.10 (3) prohibit a local government sponsor from assigning oversight responsibility for  
4.11 snowmobile or off-highway vehicle trail grants to a local government official who serves  
4.12 as an officer or bookkeeper of a grant recipient; and

4.13 (4) require a wetlands inspection by a trained professional when a grant recipient  
4.14 proposes moving earth, such as filling or grading, for an existing or new off-highway  
4.15 vehicle trail alignment, to determine whether a wetland permit is required.

4.16 (b) The commissioner shall publish the proposed rules under paragraph (a) within  
4.17 60 days of the effective date of this act.

4.18 Sec. 9. **REPEALER.**

4.19 Minnesota Statutes 2006, section 296A.18, subdivisions 2, 3, 4, 5, and 6, are  
4.20 repealed.

4.21 Sec. 10. **EFFECTIVE DATE.**

4.22 Sections 5 and 8 are effective the day following final enactment.