

# Joint Transportation Committee



## ***Review of Fuel Tax Refunds for Nonhighway and Off-road Use of Gasoline and Diesel Fuel***

*Mary Fleckenstein, Joint Transportation Committee*

*Jerry Long, House Transportation Committee*

*October 12, 2010*

# ESSB 6381 Proviso

The 2010 transportation budget directed JTC to review fuel tax refunds for nonhighway or off-road use of gasoline and diesel fuels as listed in RCW 46.09.170, 46.10.150, and 79A.25.070.

The review must:

- Provide an overview of the off-road programs;
- Analyze historical funding and expenditures from the respective treasury accounts;
- Outline and provide process documentation on how the funds are distributed to the treasury accounts; and
- Document future identified off-road, snowmobile, and marine funding needs.

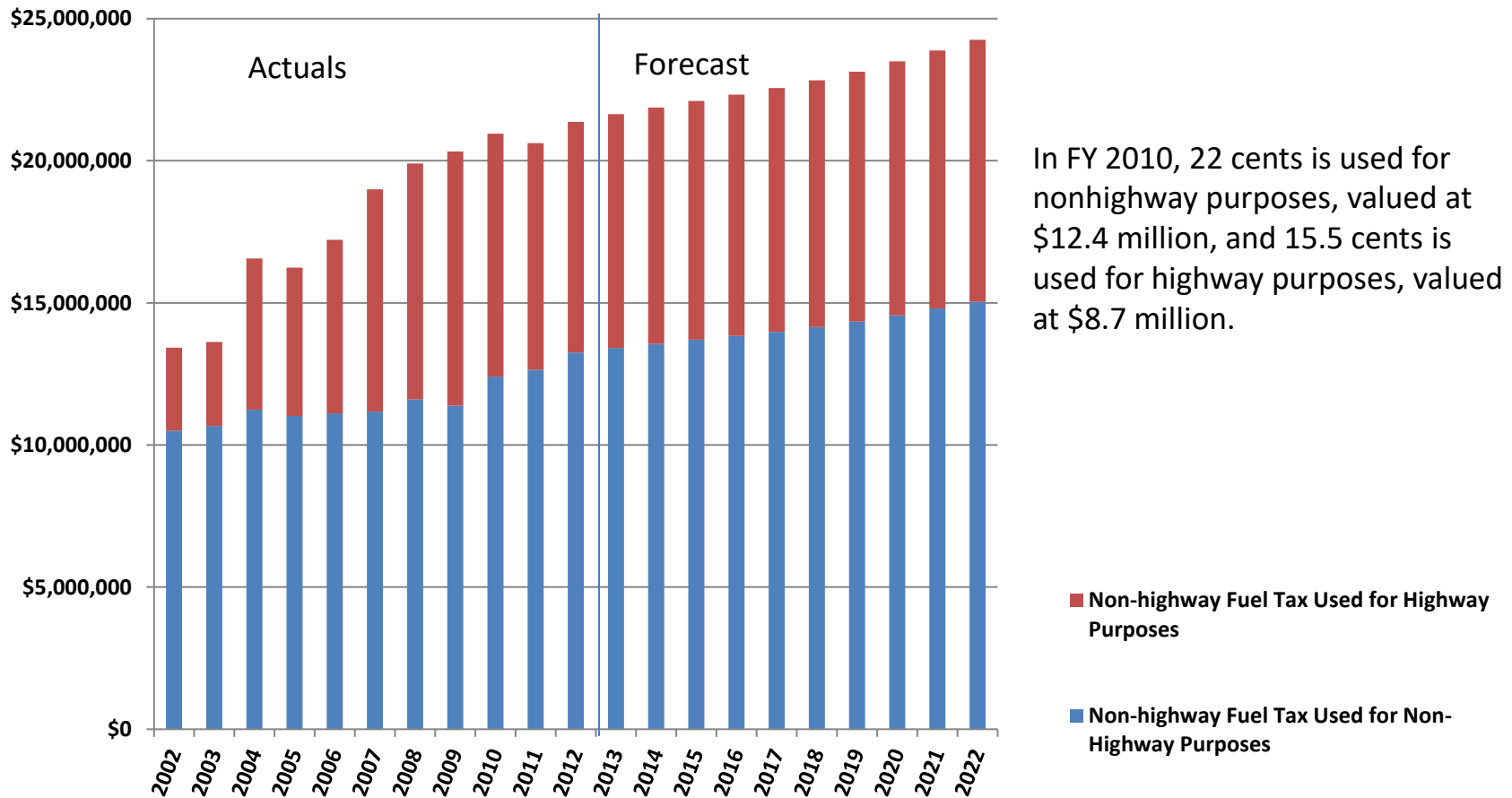
The final report is due to the House of Representatives and Senate Transportation Committees by December 31, 2010.

# Nonhighway and ORV fuel tax refunds

- Marine fuel tax refunds
- Off-road vehicle fuel tax refunds
- Snowmobile fuel tax refunds



# Nonhighway fuel taxes: Nonhighway uses vs. highway uses



# Seven state agencies spend the money

## NON-HIGHWAY INVESTMENTS

- Department of Ecology
- Department of Licensing (DOL)
- Department of Fish and Wildlife (WDFW)★
- Department of Natural Resources (DNR)★
- Recreation and Conservation Office (RCO)★
- State Parks and Recreation Commission (State Parks)★

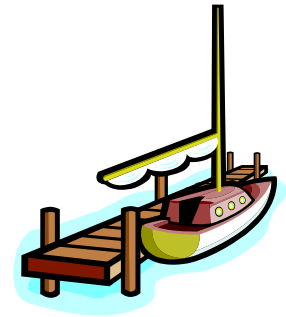
## HIGHWAY INVESTMENTS

- Department of Transportation (WSDOT)

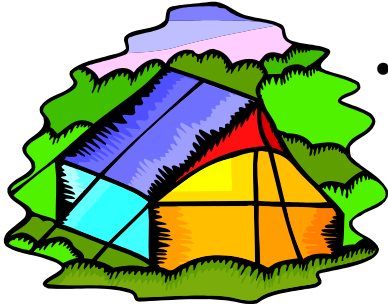
# Marine fuel tax refunds



- Refunds to individuals
- Coastal Protection Fund (Ecology)
  - A penny of each refund, used to restore natural resources
- Boating Facilities Grants (RCO)
  - State agency grants
  - Local agency grants (local governments, park and recreation districts, PUDs, Ports, Tribes)



# ORV fuel tax refunds



- **DNR – 36% to fund their recreation program.**
  - This revenue stream plus NOVA grants fund 84% of DNR’s \$5.1 million FY 2009-11 recreation program on state trust lands.
  - Examples of DNR facilities include Tiger Mountain, Capitol Forest, Walker Valley Trailhead, many campgrounds, trails, vista points and day use areas.
- **WDFW – 3.5% to fund road and parking lot maintenance at recreation sites**
  - 650 recreation access sites; 1,300 miles of roads
- **State Parks – 2.0% to fund the Riverside ORV Area in Spokane**
- **RCO – 58.5% to fund NOVA grants**
  - 30% for education and enforcement
  - 70% for NOVA recreation grants, including
    - ORV facilities (at least 30%)
    - Non-motorized recreation (at least 30%)
    - Non-highway recreational facilities (at least 30%)

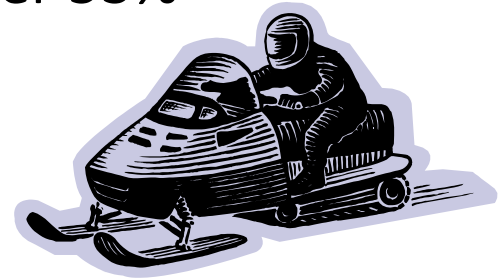




# Snowmobile fuel tax refunds

## State Parks Snowmobile Program

- Fuel tax refunds fund 47% of the budget (2007-09); snowmobile registrations funding the other 53%
- The program funds
  - Snowmobile trail grooming
  - Fixed costs, such as sanitation, law enforcement, snow removal, equipment, administration





# Evidence of past unmet need?

## YES

- RCO has been unable to fund all eligible boating facilities projects (19 projects not funded, \$6.2 million) and NOVA projects (55 projects not funded, \$5.8 million)



- Significant maintenance declines on DNR and WDFW recreation sites since early 1990s

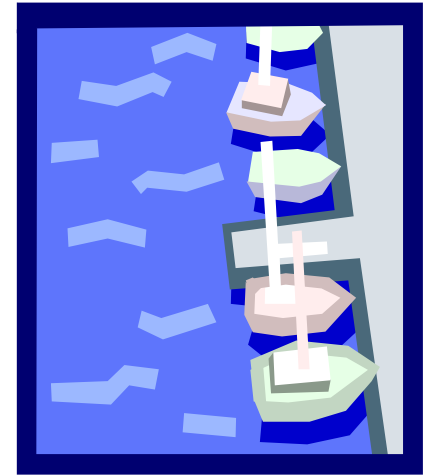
- Resource damage from unauthorized user-built trails. With no new DNR trails and facilities built since the 1980s, users are building their own and creating environmental and safety problems.

- Service cut-backs at Riverside ORV Area in Spokane



# Future need – boating facilities

- **WDFW.** \$19 million capital need for access and boat ramps, toilets, piers; and \$1.2 million per biennium operating need for staffing, parking lot maintenance
- **State Parks.** \$30 million for piling and pier replacements, new buoys, launches, floats, sewer pump-outs
- **Ports.** \$8.8 million for boat ramp expansions, dock reconfigurations, sewer pump-outs, ADA restroom and shower facilities

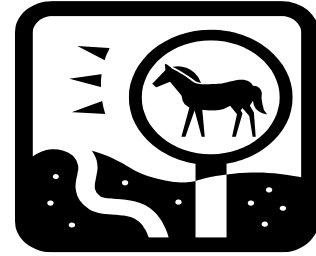


# Future need – ORV-funded programs

- **WDFW.** \$11 million operating needs (10 years) for road and parking lot maintenance and staffing to maintain access sites;
- **WDFW.** \$4.5 million capital for road and parking lot maintenance, access gates, toilet replacements, and pending acquisitions and recreational development projects
- **DNR.** \$75 million in operating needs (10 years) for maintenance, education and enforcement, grant management, volunteer management, safety and public engagement
- **DNR.** \$142 million in capital needs (10 years) to renovate trails and facilities, restore damage from unauthorized use, develop 15 new recreation areas to meet growing public demand, renew expiring leases from trust lands, deferred infrastructure replacement



# Future need, ORV-funded facilities (cont'd)



- **Okanogan-Wenatchee National Forest.** 48 projects worth \$5 million (6 years) to develop horse camps, maintain motorized trail system, install road and trail signs
- **Pacific NW Four-Wheel Drive Association.** Needs at 18 sites across the state (DNR, US Forest Service, BLM), including trail repairs; building reconstruction; parking lot, toilet and campground improvements
- **Back Country Horsemen of Washington.** 300 projects to improve recreation opportunities, including road and trail improvements; parking lot construction; bridge, fence and gate construction; culvert installation; signage, maintenance.



# Future need, snowmobile program

## State Parks – \$11.5 million (2010 – 2019)

- Trail grooming @ 2006 level (\$8.8 million)
- Equipment purchases , e.g. replace snow groomers (\$1.6 million)
- Education and enforcement (\$315,000)
- Upgrade sno-park staging areas (\$188,000)



# Broad involvement by agencies and stakeholders

## **State and Federal Agencies**

- Ecology, Fish and Wildlife, Governor's Office, Dept. of Natural Resources, OFM, Recreation and Conservation Office, State Parks, WSDOT, US Coast Guard, and US Forest Service

## **Local Governments**

- Ports, Cities, Counties

## **Stakeholders**

- Back Country Horsemen, Pacific NW Four Wheel Drive Association, NW Marine Trade Association, Recreational Boaters Association of Washington, Evergreen Mountain Bike Alliance, Washington Trails Association, Washington State Snowmobile Association, Washington Off-highway Vehicle Association

# Questions

