

FEB 23 2001
TRANSPORTATION

HOUSE FILE 391
BY ALONS, STEVENS, EDDIE, FREVERT,
QUIRK, and BUKTA

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act authorizing motor fuel tax revenues derived from fuel used
2 in all-terrain vehicles and snowmobiles to be used for all-
3 terrain vehicle and snowmobile trails and programs.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 391

1 Section 1. Section 321G.7, Code 2001, is amended to read
2 as follows:

3 The department shall remit the fees to the treasurer of
4 state, who shall place the money in a special conservation
5 fund. The special conservation fund shall also include moneys
6 transferred to the fund pursuant to section 452A.84. The
7 ~~money-is~~ moneys in the fund are appropriated to the department
8 for the all-terrain vehicle and snowmobile programs of the
9 state. All-terrain vehicle fees shall be used only for all-
10 terrain vehicle programs and snowmobile fees shall be used
11 only for snowmobile programs. Joint programs shall be
12 supported from both types of fees on a usage basis. The all-
13 terrain vehicle and snowmobile programs shall include grants,
14 subgrants, contracts, or cost-sharing of all-terrain vehicle
15 and snowmobile programs with political subdivisions or
16 incorporated private organizations or both in accordance with
17 rules adopted by the commission. All all-terrain vehicle
18 programs using cost-sharing, grants, subgrants, or contracts
19 shall establish and implement a safety instruction program
20 either singly or in cooperation with other all-terrain vehicle
21 programs. At least fifty percent of the special fund shall be
22 available for political subdivisions or incorporated private
23 organizations or both. Moneys from the special fund not used
24 by the political subdivisions or incorporated private
25 organizations or both shall remain in the all-terrain vehicle
26 or snowmobile accounts. The department may use funds from
27 these accounts for the administration of the all-terrain
28 vehicle and snowmobile programs.

29 Sec. 2. Section 452A.79, Code 2001, is amended to read as
30 follows:

31 452A.79 USE OF REVENUE.

32 1. The Except as otherwise provided in this section, the
33 net proceeds of the excise tax on the diesel special fuel and
34 the excise tax on motor fuel and other special fuel, and
35 penalties collected under ~~the-provision-of~~ this chapter, shall

1 be credited to the road use tax fund.

2 2. Annually, the first four hundred eleven thousand three
3 hundred eleven dollars derived from the excise tax on the sale
4 of motor fuel used in watercraft, computed pursuant to section
5 452A.84, shall be deposited in the general fund of the state.
6 The moneys in excess of four hundred eleven thousand three
7 hundred eleven dollars shall be deposited in the rebuild Iowa
8 infrastructure fund. Moneys deposited to the general fund and
9 to the rebuild Iowa infrastructure fund under this section
10 subsection and section 452A.84 are subject to the requirements
11 of section 8.60 and are subject to appropriation by the
12 general assembly to the department of natural resources for
13 use in its recreational boating program, which may include but
14 is not limited to:

- 15 1. a. Dredging and renovation of lakes of this state.
16 2. b. Acquisition, development, and maintenance of access
17 to public boating waters.
18 3. c. Development and maintenance of boating facilities
19 and navigation aids.
20 4. d. Administration, operation, and maintenance of
21 recreational boating activities of the department of natural
22 resources.
23 5. e. Acquisition, development, and maintenance of
24 recreation facilities associated with recreational boating.

25 3. Annually, the moneys derived from the excise tax on the
26 sale of motor fuels used in all-terrain vehicles and
27 snowmobiles, computed pursuant to section 452A.84, shall be
28 transferred to the special conservation fund created in
29 section 321G.7.

30 Sec. 3. Section 452A.84, Code 2001, is amended to read as
31 follows:

32 452A.84 TRANSFER TO STATE-GENERAL-FUND FUNDS.

33 1. The treasurer of state shall transfer from the motor
34 fuel tax fund to the general fund of the state that portion of
35 moneys collected under this chapter attributable to motor fuel

1 used in watercraft computed as follows:

2 1- a. Determine monthly the total amount of motor fuel tax
3 collected under this chapter and multiply the amount by nine-
4 tenths of one percent.

5 2- b. Subtract from the figure computed pursuant to
6 ~~subsection 1 of this section~~ paragraph "a", three percent of
7 the figure for administrative costs and further subtract from
8 the figure the amounts refunded to commercial fishers pursuant
9 to section 452A.17, subsection 1, paragraph "a", subparagraph
10 (7). All moneys remaining after claims for refund and the
11 cost of administration have been made shall be transferred to
12 the general fund of the state.

13 2. The treasurer of state shall transfer from the motor
14 fuel tax fund to the special conservation fund credited in
15 section 321G.7 that portion of moneys collected under this
16 chapter attributable to motor fuel used in all-terrain
17 vehicles and snowmobiles computed as follows:

18 a. Determine monthly the total amount of motor fuel tax
19 collected under this chapter and multiply the amount by
20 twenty-five hundredths of one percent.

21 b. Subtract from the figure computed pursuant to paragraph
22 "a", three percent of the figure for administrative costs.

23 EXPLANATION

24 This bill amends Code section 321G.7 to provide that moneys
25 from the excise tax on the sale of motor fuels used in all-
26 terrain vehicles and snowmobiles which are deposited in the
27 special conservation fund are to be used by the department of
28 natural resources for all-terrain vehicle and snowmobile
29 trails and programs. Code section 452A.79 is also amended to
30 direct that the all-terrain vehicle and snowmobile fuel tax
31 revenues be deposited in the special conservation fund.

32 The bill amends Code section 452A.84 to provide a formula
33 for determining the amount of revenue derived annually from
34 the excise tax on the sale of motor fuel used in all-terrain
35 vehicles and snowmobiles which is to be transferred to the

1 special conservation fund.

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**HOUSE FILE 391
FISCAL NOTE**

A fiscal note for **House File 391** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 391 establishes an allocation from the Motor Fuel Tax Fund to the Special Conservation Fund to be used by the Department of Natural Resources for all-terrain vehicle and snowmobile trails and programs. The amount of the allocation is set at 0.25% of the total motor fuel tax collections.

ASSUMPTIONS

The State collects approximately \$300.0 million in fuel tax revenue annually (excluding the tax on diesel fuel).

FISCAL IMPACT

House File 391 would transfer approximately \$750,000 annually from the Motor Fuel Tax Fund to the Special Conservation Fund. This would result in a reduction in the same amount to the Road Use Tax Fund.

SOURCE

Legislative Fiscal Bureau

(LSB 2338hh, DLR)

FILED FEBRUARY 26, 2001

BY DENNIS PROUTY, FISCAL DIRECTOR