



# Minnesota Department of Natural Resources

500 Lafayette Road • St. Paul, MN • 55155-4039

October 17, 2016

Dear Trail Administrators and GIA Sponsors,

The snowmobile trail system statewide has played an important recreational, economic, and cultural role in Minnesota since its early inception in the 1970s. The majority of trails are managed by snowmobile club members with countless hours of volunteering. The Grant-in-Aid (GIA) Program has provided important funding for those costs associated with managing the over 21,000 mile system, including grooming, fuel, brushing, signing, landowner permission, and easements for trail routes.

As you are aware, over the last few years there have been reductions to GIA funding due to insufficient funds available from the dedicated snowmobile account. This account receives revenues primarily from the gas tax, snowmobile registrations, and trail permits. While revenue from the gas tax is relatively stable from year to year, the number of snowmobile registrations has varied and over the last decade where the total number of registrations went from a high of 277,000 snowmobiles in 2006 to 196,000 in 2016. This decline in the total number of registered snowmobiles, as well as the weather variability in the snowmobile season (think snow!), has created an ongoing funding challenge to support our large GIA trail system.

This funding challenge can be overcome by increasing revenue or reducing spending. One option is to raise the snowmobile registration fees to help restore funding. Another option is to permanently reduce funding to the GIA Program, perhaps even by reducing the size of the trail system. Both of these options have impacts to snowmobiling. Raising the registration fee increases the cost of snowmobiling, but reducing GIA funding may impact grooming or reduce the number of trails open for riding.

The state needs to consider all options, but at this time we are looking into the impact of an increase to registration fees. We recognize there are concerns among snowmobilers about raising fee levels, but there are several positive points to consider.

- We want to avoid further funding reductions to the GIA Program.
- Current fee levels, including registration and the trail pass, haven't increased in more than 10 years, and with rising costs it is prudent to increase the fees to stay in line with inflation.



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- Current Minnesota registration fees are lower than other states. For example, Minnesota's registration comes to \$25/year, while Wisconsin's is \$40/year and Michigan's is \$55/year.

Since the price of fees are established in Minnesota statutes, any change would need to go through the legislative process. We wanted to make you aware of this fee increase option as we consider how to manage the snowmobile account and the GIA Program over the long-term.

Thank you for all of the work you put into the snowmobile trail system in Minnesota. Thanks to your dedication, it is one of the best in the nation!

Sincerely,



Erika Rivers  
Director, Division of Parks and Trails