

**ALASKA STATE LEGISLATURE
HOUSE TRANSPORTATION STANDING COMMITTEE**

March 26, 2019

1:05 p.m.

MEMBERS PRESENT

Representative Louise Stutes, Co-Chair
Representative Adam Wool, Co-Chair
Representative Matt Claman
Representative Harriet Drummond
Representative Andi Story
Representative Dave Talerico
Representative Sara Rasmussen

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 23

"An Act relating to registration fees for snowmobiles and off-highway vehicles."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 23

SHORT TITLE: SNOWMOBILE REGISTRATION FEES

SPONSOR(S): REPRESENTATIVE(S) NEUMAN

02/20/19	(H)	PREFILE RELEASED 1/7/19
02/20/19	(H)	READ THE FIRST TIME - REFERRALS
02/20/19	(H)	TRA, FIN
03/13/19	(H)	SPONSOR SUBSTITUTE INTRODUCED-REFERRALS
03/13/19	(H)	READ THE FIRST TIME - REFERRALS
03/13/19	(H)	TRA, FIN
03/26/19	(H)	TRA AT 1:00 PM BARNES 124

WITNESS REGISTER

REPRESENTATIVE MARK NEUMAN
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor of SSHB 23, introduced his staff to present the bill.

WILLIAM GAMBLE, Staff
Representative Mark Neuman
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented SSHB 23 on behalf of Representative Neuman, prime sponsor.

VICTORIA GROSS
Wasilla, Alaska

POSITION STATEMENT: Testified during the hearing on SSHB 23.

STEVE CLEARY, Executive Director
Alaska Trails
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SSHB 23.

MICHELE STEVENS, President
Petersville Community Non-Profit
Petersville, Alaska

POSITION STATEMENT: Testified in support of SSHB 23.

ZACK RUSSELL
Denali Borough, Alaska

POSITION STATEMENT: Testified in support of SSHB 23.

STEVE CHARLES
Willow Trail Committee
Willow, Alaska

POSITION STATEMENT: Testified in support of SSHB 23.

FREDDIE POLLARD
Kenai, Alaska

POSITION STATEMENT: Testified during the hearing on SSHB 23.

GARY ANDERSON
Ninilchik, Alaska

POSITION STATEMENT: Testified in support of SSHB 23.

KEN COLEMAN
Kenai, Alaska

POSITION STATEMENT: Testified in support of SSHB 23.

SUSIE SEIBERT
Petersville, Alaska

POSITION STATEMENT: Testified in support of SSHB 23.

DAN MAYFIELD
Matsu Borough Assembly
Big Lake, Alaska

POSITION STATEMENT: Testified in support of SSHB 23.

CRISTIN ROEHL-EASTHAM, President
Snomads Snowmachine Club ("Snomads")
Homer, Alaska

POSITION STATEMENT: Testified during the hearing on SSHB 23.

RICKY GEASE, Director
Division of Parks and Outdoor Recreation (DPOR)
Department of Natural Resources (DNR)
Anchorage, Alaska

POSITION STATEMENT: Answered questions during the hearing on SSHB 23.

ACTION NARRATIVE

[1:05:11 PM](#)

CO-CHAIR ADAM WOOL called the House Transportation Standing Committee meeting to order at 1:05 p.m. Representatives Rasmussen, Drummond, Talerico, Story, and Wool were present at the call to order. Representative Stutes and Claman arrived as the meeting was in progress.

HB 23-SNOWMOBILE REGISTRATION FEES

[1:05:40 PM](#)

CO-CHAIR WOOL announced that the only order of business would be **SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 23**, "An Act relating to registration fees for snowmobiles and off-highway vehicles."

[1:06:10 PM](#)

REPRESENTATIVE MARK NEUMAN, Alaska State Legislature, as prime sponsor of SSHB 23, introduced his staff to present the bill.

[1:06:42 PM](#)

WILLIAM GAMBLE, Staff, Representative Mark Neuman, Alaska State Legislature, presented SSHB 23 on behalf of Representative Neuman, prime sponsor. He stated that the intent of SSHB 23 was

to raise registration fees for snowmobiles to increase receipts for the Division of Motor Vehicles (DMV), which would fund a Snowmobile Trails Program [within the Division of Parks & Outdoor Recreation (DPOR), within the Department of Natural Resources (DNR)], which has seen an annual decrease of funding over the last several years. He explained that the sponsor substitute before the committee would remove the three-year sunset language from the original bill version.

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MR. GAMBLE directed attention to the sectional analysis included in the committee packet, which read as follows [original punctuation provided]:

Section 1. Deletes "snowmobile" from a paragraph in statute (AS.28.10.421(d)(7) and leaves off-highway vehicles at the current \$10 registration fee.

Section 2. Adds "snowmobile" to AS.28.10.421(d)(26) in statute and would set the biennial (two year) snowmobile registration fee at \$20.

Section 3. Amends statute (AS.28.39.020)(e) to set the six-year snowmobile registration fee at \$50.

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CO-CHAIR WOOL asked for a history of the trail structure and related fees.

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REPRESENTATIVE NEUMAN noted legislation had been introduced in 1998 to help promote a [snowmobile] program and trail safety throughout Alaska. He indicated that under SSHB 23 there would be three options for fees: a two-year fee of \$10; a four-year fee of \$20; and a six-year fee of \$40. The six-year fee offers a savings and benefits the workload of the DMV. He pointed out that snowmobiles are used not only recreationally but also for search and rescue. In response to a follow-up question from Co-Chair Wool, he confirmed that registering and paying the fee are voluntary.

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REPRESENTATIVE DRUMMOND asked for clarification regarding the revenue projections of the fiscal note.

REPRESENTATIVE NEUMAN stated that it is a zero fiscal note. Under the proposed legislation, more money would go to the program. He reiterated that there would be an incentive to paying six-years at a time.

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MR. GAMBLE, in response to Representative Drummond, explained that he and the bill sponsor did not have the same fiscal note as the one to which Representative Drummond was referring.

REPRESENTATIVE DRUMMOND specified that the fiscal note she was looking at was from the Department of Administration, with Office of Management & Budget (OMB) component number 2348. She stated her assumption that the fees reflected on the second page are those that would be going to the department.

REPRESENTATIVE NEUMAN stated that the registration fees are collected from the DMV. All related costs are covered by the program [fees], including the costs associated with the Department of Natural Resources (DNR). He offered his understanding that \$34,000 of "half a position" is paid from the fees to ensure the cost to the state is covered.

REPRESENTATIVE DRUMMOND said she did not understand "how you get to this revenue picture" when less is made on more years paid at a time.

REPRESENTATIVE NEUMAN surmised it had something to do with those already registered not registering the next year. In response to Representative Drummond, he concurred that this issue could be addressed with the Department of Administration.

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REPRESENTATIVE CLAMAN offered his understanding that owners of four-wheelers must register.

[1:17:56 PM](#)

REPRESENTATIVE NEUMAN stated his belief that [registration of four-wheelers] was fully voluntary, and he said that would not be adjusted under SSHB 23.

REPRESENTATIVE CLAMAN asked why there is not a mandatory requirement for registration of snowmobiles and four-wheelers.

REPRESENTATIVE NEUMAN stated that he does understand the desire to register vehicles to aid in recovery of stolen property. He related that he registers his own snowmobiles but not his four-wheelers. He said registration is required in order to use a vehicle in any state park. He suggested Representative Claman may wish to ask "the department" to verify that.

[1:19:12 PM](#)

REPRESENTATIVE RASMUSSEN, regarding the question asked by Representative Drummond, offered her understanding that "the numbers on the fiscal note" relate to the numbers of registrations of snowmobiles, separated by the multi-year optional for registration. She observed that there are fewer vehicles registered for the six-year option.

REPRESENTATIVE NEUMAN agreed with Representative Rasmussen. He indicated that fiscal note [2348] shows an estimated [17,668] snowmobiles would be registered for [two years]; 5,665 would be registered for [four years]; and [4998] would be registered for [six years].

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CO-CHAIR WOOL indicated that the amount of [\$133,325] shown on the fiscal note is the additional revenue per year. He asked for confirmation that the numbers on the fiscal note reflect the number of snowmobiles registered - not the total number existing in Alaska.

MR. GAMBLE confirmed that is correct.

[1:21:14 PM](#)

REPRESENTATIVE STORY stated that registration would be necessary in order to insure a vehicle. She asked to what the money collected from registrations would be applied.

[1:21:50 PM](#)

REPRESENTATIVE NEUMAN answered trail grooming. He said historically snowmobile users have been taxing themselves for this benefit. He surmised there were many people ready to testify to the value of this expense.

1:23:01 PM

REPRESENTATIVE RASMUSSEN asked if there was a provision for people who have purchased registrations but sell their snowmobiles before the end of the registration term.

REPRESENTATIVE NEUMAN offered his understanding that the registration "follows" the snowmobile, because a sticker is put on it. The new owner would have to go to the [DMV] to put the vehicle into his/her name.

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CO-CHAIR WOOL opened invited testimony on SSHB 23.

1:24:00 PM

VICTORIA GROSS testified that snowmobile users realize that the fee they pay grooms trails, and they are willing to up the fee to cover increased costs. She said the grooming creates safe trails that may otherwise be unsafe. Groomed trails allow small businesses along the trail corridor to remain open during winter. She said tourism on snowmobiles is growing, and having reliable trails is helpful to that end. Ms. Gross related that she is a search and rescue dog handler, and groomed trails aid in getting to avalanche sites more quickly.

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STEVE CLEARY, Executive Director, Alaska Trails, said Alaska Trails promotes sustainable trails across the state. He said the program being affected under SSHB 23 is unique and impacts all users. He said the fees have not been raised in a while. He noted areas of the state with trails and said the program promotes safety, signage, grooming, and winter recreational activity. He emphasized that when people get out to use the trails, they may stop for a meal or lodging or to partake in "other economic activity" that is "a real shot in the arm in the wintertime."

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MICHELE STEVENS, President, Petersville Community Non-Profit, testified that Petersville and other communities she represents are in favor of the fee increase. She noted that the fee has not been increased since its inception in 1998, while over the

past twenty years the trails have increased from 200 miles to well over 1,000 miles, the cost of fuel and equipment has increased, and more communities are applying for the grant. She continued:

At the time the Snow Track Program was into play, ... [snowmobile riders] were proliferating for recreation, transportation, and subsistence use. There were very few marked or maintained trails. The consequences were: high accident rates; lost ... [snowmobiles], which is a cost of the State of Alaska; winter conflicts among trail users; and conflicts of private property owners.

MS. STEVENS said the program has been successful; the communities that have received program funding have achieved all the intended goals of the program. Safety programs, maps, signs, and information about snowmobiles are readily available. She said people are getting to businesses and remote cabins safely, and they are buying and hauling supplies. She said more land is being purchased and cabins built as the trail are being groomed. She said snowmobile riders spend thousands of dollars in an economy that would otherwise be slow. She said winter tourism is on the rise because of the safe, groomed trails, and that in turn adds fuel to the economy. Ms. Stevens related that a study done by Earth Economics in 2013 found that for every dollar spent in open public space in the Matanuska-Susitna (Mat-Su) Borough, there is a \$5.31 return on the investment. She said groomed trails have helped keep the state's search and rescue costs to a minimum, because with signs and groomed trails, riders are less likely to get lost. She said the trail system has been critical for first responders to access the backcountry to perform rescues. She said she has witnessed this herself.

MS. STEVENS related that [groomed trails] benefit the following user groups: dog teams, snow mobile riders, hikers, fat tire bikers, and skiers. She said she represents 16 clubs, 20 businesses, 39 lodges, 15 snowmobile dealers, 10 dog mushing races - including the Iditarod, 24 snowmobile events, and more than 40,000 registered snowmobile owners. She said Petersville Nonprofit Corporation maintains 150 square miles of trails. The Snow Track Program benefits all Alaskans. She summarized that the program saves lives, promotes safety, stimulates the economy, and creates jobs. She asked the committee to support SSHB 23.

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CO-CHAIR WOOL opened public testimony on SSHB 23.

[1:32:36 PM](#)

ZACK RUSSELL testified in support of SSHB 23. He said one of the businesses he runs is trail grooming, where, on the Cantwell side of Denali National Park and Preserve, he maintains 123 miles of trail. Before the trail was groomed, the trail was rough and difficult to use, and business owners along the trail were suffering. He said the fee needs to increase. He said when he applied for the program, that put "a hit on everybody else."

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STEVE CHARLES, Willow Trail Committee, emphasized the importance of winter trails to the Willow Trail Committee. He said it could be argued that in the winter, it is not the Parks Highway, but rather a 12-foot wide groomed trail that is the main street of the town. He said volunteers offer a minimum of 15 hours per week to groom 72 miles of trail, using a Snow Cat and four "snow machines." Private donations go toward reflective trail markers every 40 yards and instructional and safety signs. He said local businesses rely on the revenue from events and visitors in the winter. He talked about reduced state funding and the minimal coverage from private funding. He indicated that [without sufficient maintenance], trails can become bumpy, accidents can happen, and people on the trails can get lost. Restoring the funding, as would happen under SSHB 23, would result in successful trail maintenance statewide. He said a fee increase of \$5-\$10 annually for registering a snowmobile is like buying a couple gallons of gasoline, which he opined is a small price to pay for safe trails. He encouraged the committee to support SSHB 23.

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FREDDIE POLLARD told the committee that he has a snowmobile lodge up in Caribou Hills, and he belongs to Caribou Hills Cabin Hoppers - a snowmobile club. He said previous testifiers "pretty much covered the whole thing," and he opined that the availability of funds should continue. He said a lot of people use snowmobiles rather than cars to get down to the highway

system. He stated appreciation for the committee's consideration of SSHB 23.

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GARY ANDERSON said he lives in the Caribous Hills area of Ninilchik and knows "everything that everybody has just said is true." He talked about the money dwindling, because more is being done for less. Therefore, he stated his wholehearted support of SSHB 23. In terms of the voluntary aspect of the fee, he opined that the registration of motorized vehicle should be mandatory. He talked about safety issues and importance of quick and safe rescue of individuals. He indicated that those applying for the grant money are grateful for receiving even less than they may ask for, but he emphasized that it still less [than what may be needed]. He expressed appreciation for the committee's time and effort on the issue.

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KEN COLEMAN said he is a member of the Caribou Hills Cabin Hoppers Club and coordinates the grooming of the vast area of Caribou Hills. He said there are about 400 people in the club, which operates two large groomers to maintain a little over 170 miles of trails weekly through voluntary effort. There has been a drop in grant money over the years to the point where the efforts are just 50 percent funded. He echoed previous testimony regarding the types of users on the trails including runners, skiers, fat tire bicycle riders, snowmobile riders, and dog mushers. He asked the committee to pass SSHB 23. He mentioned there are first responders that live in the hills and the benefit of safely using the trails for rescue operations.

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SUSIE SEIBERT said Petersville is known for its snowmobiles and groomed trails, which provide safety and security and the confidence in parents to bring their children along to ride. She emphasized that groomed trails cut down on search and rescue efforts. She stated her support for the increase in registration fees and urged the committee to support SSHB 23. The increase in fees would help pay for grooming and ensure that "everyone gets to their destination safely." She opined that the Snowmobile Trails Advisory Council (SnowTRAC), [which is responsible for reviewing and recommending funding for the Snowmobile Trails Program], goes hand in hand with raised fees,

and she asked the committee to reinstate the program along with the raised fees.

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DAN MAYFIELD, Matsu Borough Assembly, said he is a member of the Mat-Su Borough Assembly and president of Big Lake Trails, Inc. [Due to technical difficulties, Mr. Mayfield's testimony was cut off.]

[1:48:49 PM](#)

CRISTIN ROEHL-EASTHAM, President, Snomads Snowmachine Club ("Snomads"), indicated that Snomads works with "the Cabin Hoppers" on a section of the trail system. She talked about groomed trails and a marking system, and said the number of search and rescues have decreased because of them. She indicated that [Snomads] has no problem with the increase in fees for registration, and a lot of its members support it; however, she echoed the previous testifier's note that the increase in fees should go hand in hand with the reinstatement of the [Snowmobile Trails] Program.

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CO-CHAIR WOOL closed public testimony on SSHB 23.

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REPRESENTATIVE NEUMAN, in response to an earlier question from Representative Drummond, offered his understanding that the terms "snow machine" and "snow-go" and "snowmobile" are interchangeable in Alaska, although [technically] a snow machine is something that makes snow. He then talked about a map program made by the Division of Land, Mining & Water, which shows trails, and he said a person could go from Denali National Park and Preserve to Big Lake on the groomed trails. He talked about the critical piece of the issue being search and rescue. He said numbers could be put on the maps to correlate with businesses along the trails. He mentioned plastic coated maps and making maps available for all users.

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REPRESENTATIVE STORY asked for information about the [Snowmobile Trails] Program.

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RICKY GEASE, Director, Division of Parks and Outdoor Recreation (DPOR), Department of Natural Resources (DNR), stated there are two components [of the program]: registration fee being considered under SSHB 23, and authorization of the [Snowmobile Trails] Program, which goes through DMV and is remitted to DPOR, which has [an advisory council, SnowTRAC] that evaluates proposals it receives. The [advisory council] gathers the grant requests and figures out the percentage based on the total funds coming from the DMV. Currently there are over \$400,000 of potential projects that could be done, and the [advisory council] has been giving out just under \$200,000 over the last three to four years.

REPRESENTATIVE STORY asked what the cost of reinstating the program would be.

MR. GEASE answered that the program was not funded under governor's proposed budget; therefore, it would take legislative action to reintroduce the program. In response to follow-up questions, he explained that the fee would be collected; the issue is authorizing the program as a receipt authority from the DMV snowmobile registration. He said, "The registration is going to be mandatory no matter what. You're still going to have to pay the fee. Compliance with that registration fee - if there's not a SnowTRAC's program - may likely go down." He said there is a cost taken from the fees to administrate the program, "but if that program doesn't exist, then we're not administering it."

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CO-CHAIR STUTES said she understands that the program is not included in the governor's proposed budget, but asked if it would continue or sunset.

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MR. GEASE offered his understanding that there is no sunset; therefore, the program would continue.

CO-CHAIR STUTES concluded, "So, there is a potential that ... that program could continue then, at this point."

MR. GEASE replied that he believes that is accurate. He added, "If it's put back into the department."

CO-CHAIR STUTES asked, "But it's in the governor's proposed budget, correct?"

MR. GEASE answered no. He said some testifiers were talking about putting the program back into the budget through legislative action.

[1:58:07 PM](#)

REPRESENTATIVE DRUMMOND asked whether the program had been put back into the budget by a budget subcommittee responsible for doing so.

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MR. GEASE stated that he did not know.

CO-CHAIR WOOL offered his understanding that the program exists but is not in the governor's proposed budget, yet that does not mean it could not be in an upcoming budget. He said he has been receiving letters of support for the program. He offered his understanding that it is not a budgetary issue, because "the money's already been collected." He said it sounds like the administrative aspect is covered by the DMV. He said it sounds like the program is a good one and people support it, yet the paying of fees may decline if people learn that those fees are not going towards the trail program. He questioned whether, historically, the program has had to be reintroduced in the budget annually.

[1:59:44 PM](#)

REPRESENTATIVE NEUMAN agreed with Co-Chair Wool's assessment. He said he has had conversations with legislators serving on Finance committees, who have suggested their intent is to include a funding mechanism in the operating budget.

[2:00:20 PM](#)

CO-CHAIR WOOL inquired about mandatory registration.

[2:00:33 PM](#)

MR. GEASE stated that under statute, registration is mandatory.

CO-CHAIR WOOL said if he bought a [snowmobile] from Representative Neuman, he would need to register it with the DMV. He surmised that "enforcement of that is probably scant at the moment," but a person who cares about the trails might be more inclined to register the snow mobile.

MR. GEASE responded, "Correct." He cited AS 28.39.010(a), which read as follows:

Sec. 28.39.010. Snowmobile registration.

(a) Except as provided in this subsection, a person may not operate a snowmobile within the state unless the snowmobile has been registered and numbered as required by this chapter. Registration under this subsection is not required for a snowmobile owned by the United States.

CO-CHAIR WOOL asked, "And what about four-wheelers. I'm getting mixed information on that." He said he had information that listed snowmobile or off-highway vehicle, and he inquired whether a four-wheeler would be consider an off-highway vehicle.

[2:01:35 PM](#)

REPRESENTATIVE NEUMAN apologized for having misspoken. He clarified that there is mandatory registration at point of sale. That way the DMV has not only registrations but vehicle identification numbers (VINs) in case they are lost. A person who buys a used snowmobile can just show a letter to the DMV showing proof of the sale.

[2:02:33 PM](#)

REPRESENTATIVE CLAMAN asked if the DMV then would issue a title for the snowmobile.

[2:02:51 PM](#)

REPRESENTATIVE NEUMAN answered that he does not have a title for any of his snowmobiles.

[2:03:10 PM](#)

CO-CHAIR WOOL talked about the multi-use of trails mentioned by testifiers, such as dog mushing, cross-country skiing, fat tire bicycle riding, and snowmobile riding. He asked if a person

applies for grant money in a proposal specifying how many miles he/she will maintain and other details.

MR. GEASE answered that is correct.

CO-CHAIR WOOL asked if there are other trail programs similar to the SnowTRAC program.

[2:04:01 PM](#)

MR. GEASE listed the Recreational Trail Program and the Land Water Conservation Fund. He said there are other funds that pertain to motorized and nonmotorized trails used mainly in the summer. He said the SnowTRAC program is the program specially targeting winter use, and snow grooming has become the primary focus, because in addition to being an access issue, it is also a safety issue, as many testifiers have stated.

[2:04:39 PM](#)

REPRESENTATIVE NEUMAN offered his understanding that all trail programs go through the [Outdoor Recreational Trails Advisory Board] (ORTAB), and groomers apply to the board.

[2:05:22 PM](#)

CO-CHAIR WOOL asked, "But as far as the registration fee for snowmobiles, that's the only source of funding for the ... [Snowmobile Trails] Program?"

MR. GEASE answered that is correct.

[2:05:55 PM](#)

CO-CHAIR WOOL requested further clarification on the fiscal note at a future meeting, particularly to flush out the numbers pertaining to the various options in length of registration periods.

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REPRESENTATIVE NEUMAN indicated he was amenable to bringing forward further information for discussion and consideration.

CO-CHAIR WOOL said the main takeaway is that it sounds like people are supportive.

2:07:13 PM

REPRESENTATIVE TALERICO stated that he has previously been on groomed trails, and he thinks there is "an army of enthusiasts that are volunteers out there that actually go above and beyond what they actually get from the program." He said he has always been impressed by the efforts put forth by the people who use the trails.

[SSHB 23 was held over.]

2:08:17 PM

ADJOURNMENT

There being no further business before the committee, the House Transportation Standing Committee meeting was adjourned at 2:08 p.m.