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# Report to the Joint Standing Committee on Inland Fish & Wildlife

Resolve Chapter 104, To Study incentives to encourage All-Terrain Vehicle Registrants to join local All-Terrain Vehicle Clubs.



In 2007 the 123<sup>rd</sup> legislature passed (LD 932 Resolve Chapter 104) requiring the Department of Conservation, with input from the Department of Inland fish & Wildlife, to convene a stakeholders group to study incentives to encourage All-terrain vehicle registrants to join local ATV Clubs.

The Department of Conservation convened a group including the following people:

Dan Mitchell, ATV Maine; Scott Nadeau, Maine Motor Sports Association; Mark Doty, Plum Creek;

Joel Wilkinson, Inland Fisheries and Wildlife; Tom Dodd, American Forest Management; Tom Doak, SWOAM; Mike Auger, Androscoggin Land Trust; Ron Green, ATV Club; Jon Olson, Maine Farm Bureau; Bill Swan, Inland Fisheries and Wildlife.

In addition some other interested individuals also attended the meetings and/or gave input via e-mail.

The first meeting was scheduled for October 23, 2007 but not enough were in attendance for a quorum so we rescheduled and held a meeting on November 29, 2007.

The group was asked by the Fish & Wildlife committee to address to the following questions:

- What will be the process for someone to easily find a club to join?
- How would you insure that all of the clubs were charging a reasonable membership fee?
- How do we know if the ATV Clubs are spending the income in a proper manner?
- Is there an existing Audit Process in Place?

#### What will be the process for someone to easily find a club to join?

The original proposal was to have the process set up so individuals could show proof of club membership and receive a discount at the time of registration. This is the system that New Hampshire has in place for snowmobiles and it has worked successfully. It does require an organized system to be in place so that all of the clubs are using the same cards and following the same membership year. It also requires someone (potentially ATV Maine) to maintain a website which people can go on line even at the last minute and join the local club of their choice.

How would you insure that all of the clubs were charging a reasonable membership fee? We cannot legally set the dollar amount that clubs can charge or have to charge. It is assumed that with all of the clubs working together they would have similar fee structures. The availability of choices and the law of supply and demand should prevent some club from overcharging.

# How do we know if the ATV Clubs are spending the income in a proper manner? Is there an existing Audit Process in Place?

The ATV Program audits the monies spent through the Trail grants but we have no authority or expertise to audit a clubs books. The Maine Revenue Service can audit on request or if they receive a complaint but they generally wouldn't because there is not a financial base for them to audit since the clubs are non-profit organizations. The Bureau of Corporations does not have any kind of audit process- they get annual reports with officer & director info, no financial information.

During the meeting there was extensive discussion about the possibility that a club could become overburdened and not have an efficient way to handle the large influx of new members. The flip side could also occur where clubs maintaining larger trail systems but not located where people could easily join them wouldn't see an increase in membership or revenue. An important detail when considering incentives is that there MUST be a way to join a club when someone is registering their ATV and they must be free to join any of the ATV Clubs incorporated in the State of Maine.

It will be very important that the infrastructure is in place for an internet based website that people can go to even at the last minute to join a club. This site would have to be linked to Fish & Wildlife's Moses website so when they were trying to register they would easily be able to go to another site and join a club. In addition each of the local clubs would have to amend their bylaws to get their annual year on the same schedule with the registration year. We would have to develop a standardized club membership card that changes year to year so the registration agents would know the person was a legitimate club member at the point of registration.

These websites have not yet been established and it is not clear that ATV Maine and/or any of the clubs currently has the needed revenue or staffing to accomplish this. Establishing a new registration system like this without everything in place to implement it could be disastrous. In addition with the current state of the economy and the cost of everything increasing it was not seen as a good time to further increase the cost of registration which has already risen more than 150% in the last 4 years.

Since the timing is poor for fee increases and there are other possible ways to get the money to the clubs, it was ultimately the consensus of the group that a registration fee incentive resulting in a lower fee for those who join a club may not the best way to increase the number of active members.

The group consensus was not to recommend the implementation of a club member discount incentive program at this time. Instead the group recommended the two Departments consider the following suggestions and attempt to implement them as soon as possible as they should help solve the funding and education problem:

- Expand ATV Club grants to include funding specifically for landowner relations;
- Expand ATV Club grants to include funding specifically for Club membership drives;
- Pay the clubs 50 percent of the approved trail grant up front;
- Establish a capital equipment grant reimbursement program for ATV clubs;
- · Establish a damage mitigation fund to help landowners;
- Expand the DOC contract with ATV Maine to cover more of the expense of printing and mailing to landowners, ATV owners and clubs;
- Work with ATV Maine to sponsor a regular landowner relations page in their paper.
- Provide links on DOC and Fish & Wildlife's websites to ATV Maine encouraging people to join a local club.

### Original Proposed language:

The annual registration fee for an ATV is \$70, except that anyone who shows proof at time of registration they are a current member of a Maine ATV Club that is a Non-Profit Corporation in good standing with the Secretary of State and recognized by the Department of Conservation as maintaining ATV trails for the public; shall only pay \$30.

## Fact sheet

# Current ATV Registration Fee

60,000 Resident Registrations	\$33.00
5,000 Non-Resident Registrations	\$68.00
65,000 Total Registrations	

#### **CURRENT REVENUES**

Inland Fish & Wildlife			Cor	nservation
Resident Non-Resident	\$18.58 \$36.08	\$1,114,800 \$ 180,400	\$14.42 \$31.92	\$ 865,200 \$ 159,600
TOTAL	φ30.06	,	Ф31.92	,
IUIAL		\$1,295,200		\$1,024,800

# Proposed New ATV Registration Fee (Establishes a \$40club member discount)

\$70.00	Registration fee for Residents and non residents
\$30.00	Registration Fee for Club Members

#### REVENUES BASED ON PROPOSAL

(Assumes 66 percent of the people join a club)

Inland Fish & Wil	dlife Share	Conservation Share		
Club Member \$17.07 Non Member \$37.08	\$ 734,010 \$ 815,760	\$12.93 \$32.92	\$ 555,990 \$ 724,240	
TOTAL	\$1,549,770		\$1,280,230	

## (Assumes 85 percent of the people join a club)

Inland Fish & Wildlife Share			Conservation Share		
Club Member S Non Member S	•	\$ 943,117 \$ 361,530	\$12.93 \$32.92	\$ 714,382 \$ 320,970	
TOTAL		\$1,304,647		\$1,035,352	

# Resolve Chapter 104, To Study Incentives To Encourage All-terrain Vehicle Registrants To Join Local All-terrain Vehicle Clubs

- Sec. 1 Department of Conservation to convene group of stakeholders to study incentives to encourage all-terrain vehicle registrants to join local all-terrain vehicle clubs. Resolved: That the Department of Conservation shall convene a group of stakeholders to study incentives, including, but not limited to, possible financial incentives, to encourage all-terrain vehicle registrants to join local all-terrain vehicle clubs. The stakeholders group must include at least one representative from the Department of Inland Fisheries and Wildlife, one representative from the Alliance of Trail Vehicles of Maine, 2 people representing large landowners, one person representing a small landowner group, one person representing a farm or agriculture group, one person representing a land trust and any other interested parties, all of whom are selected by the Department of Conservation with input from the Department of Inland Fisheries and Wildlife; and be it further
- **Sec. 2 Report. Resolved:** That the Department of Conservation shall report the findings and recommendations of the study by the stakeholders group convened pursuant to section 1 and may submit proposed legislation to the Joint Standing Committee on Inland Fisheries and Wildlife no later than December 5, 2007. The Joint Standing Committee on Inland Fisheries and Wildlife may submit legislation related to that report to the Second Regular Session of the 123rd Legislature.