

NATURAL RESOURCE COMMISSION[571]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 321G.2 and 321G.7, the Natural Resource Commission hereby amends Chapter 28, “Snowmobile and All-Terrain Vehicle Registration Revenue Cost-Share Program,” and Chapter 47, “Snowmobiles,” Iowa Administrative Code.

This rule making implements the action steps identified in a process improvement event held by the Department with the Iowa State Snowmobile Association (ISSA) October 3 through 7, 2011. The purpose of this event was to work with key stakeholders to revamp the snowmobile cost-share program, as cost-share recipients had long asked for an improved process, clearer selection criteria, and an earlier deadline for submitting applications. After working together for one week, a new and improved program was developed.

The rule making changes the snowmobile cost-share application submittal date from July 1 to May 1 each year (see subrule 47.33(2)). By moving the cost-share cycle forward, applicants can enter into approved cooperative agreements sooner, allowing for better timing of preseason groomer repairs, trail development planning, and land acquisition such as securing land leases. The rule making also provides more detailed project selection criteria for the purchase, repair and operation of grooming equipment, trail development, and land acquisition (see rule 571—47.36(321G)). The rule making also sets out that the records kept by entities receiving funds under this program are subject to audit by the Department and the State Auditor’s Office (see rule 571—47.40(321G)). The rule making also specifies the requirements for seeking funds for land acquisition such as easements and leases (see rule 571—47.43(321G)). In addition, the rule making provides more clarity on the reimbursement of expenses to ISSA (see subrule 47.42(7)). While existing rules allow ISSA to seek reimbursement of certain expenses pursuant to an agreement with the Department, the rule making clarifies the exact types of items eligible for reimbursement. Moreover, the rule making provides additional oversight regarding payment to ISSA by mandating that the agreement between ISSA and the Department be subject to selection criteria, review and selection committee recommendation, and approval by the Director of the Department.

The rule making also moves the snowmobile cost-share program currently in Chapter 28 into the chapter containing other snowmobile rules, Chapter 47. Containing all program-specific rules in the same place is convenient to stakeholders.

The rule making has positive impacts on the state and local economies, supporting existing jobs and growth. By moving the cost-share application deadline from July 1 to May 1, applicants can enter into approved cooperative agreements sooner, allowing for better timing of preseason groomer repairs, trail development planning, and land acquisition such as securing land leases. This ensures that preseason groomer repairs are completed well before the snow season; thus, groomers will be grooming trails rather than making repairs at the first snowfall. A groomed snowmobile trail is not only safer, but attracts riders from across the state and from surrounding states. States with early and consistently groomed trails are more likely to attract riders than states without these services. Snowmobilers have a proven spending record with local businesses such as gas stations, restaurants, hotels, and local snowmobile dealers. Preseason repairs provide a boost to local equipment and parts suppliers and other related businesses.

A snowmobile economic impact study conducted by Iowa State University indicated that in 2009 and 2010 Iowa’s 28,265 registered snowmobilers spent an estimated \$76.3 million per year on snowmobile equipment and activities. Of that total expenditure, \$50.3 million was spent in Iowa, with the remaining \$26 million spent on trips out of state. Estimated expenditures by out-of-state snowmobilers riding in Iowa added an additional \$556,600 of spending, for a total of \$50.85 million. The in-state expenditures generated an estimated \$30.4 million in additional transactions within the Iowa economy, resulting in an estimated \$81.3 million in total transactions or sales, \$27.9 million in personal income, and 1,101 jobs. The study concluded that if the state of Iowa could capture the \$26 million that Iowa snowmobilers spent out of state, there would be the potential of providing an additional \$41.9 million in total transactions,

\$14.5 million in additional household income, and 576 more jobs. See “The Economic Importance of Snowmobiling in Iowa,” prepared for ISSA, Daniel Otto, Dept. of Economics, ISU, author.

Capturing the out-of-state trip expenditures is directly related to trail development, maintenance and grooming activities in Iowa. The state of Iowa can facilitate efforts to keep stakeholders riding in Iowa by providing earlier cost-share approvals, leading to earlier preseason groomer repairs, trail development planning and landowner lease agreements. The existing rules limit the aforementioned activities due to the cost-share application deadline’s proximity to the snow season. The complete jobs impact statement is available from the Department upon request.

Notice of Intended Action was published in the Iowa Administrative Bulletin on September 18, 2013, as **ARC 1022C**. A public hearing was held on October 8, 2013. No comments were received. Three corrections have been made to the amendments published under Notice of Intended Action. The word “committees” was changed to “committee” in the catchwords of rules 571—28.5(321I) and 571—47.34(321G), and the catchwords of rule 571—28.13(321I) were revised to reflect the amended chapter.

These amendments are intended to implement Iowa Code sections 321G.2 and 321G.7.

These amendments shall become effective on January 15, 2014.

EDITOR’S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [amend 28.1 to 28.18; adopt 47.30 to 47.47] is being omitted. With the exception of the changes noted above, these amendments are identical to those published under Notice as **ARC 1022C**, IAB 9/18/13.

[Filed 11/19/13, effective 1/15/14]

[Published 12/11/13]

[For replacement pages for IAC, see IAC Supplement 12/11/13.]