



**Senate Fiscal Agency**  
**P. O. Box 30036**  
**Lansing, Michigan 48909-7536**

BILL



ANALYSIS

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House Bill 5503 (Substitute S-1 as reported)  
Sponsor: Representative Beverly Bodem  
House Committee: Tourism and Recreation  
Senate Committee: Agriculture and Forestry

### **CONTENT**

The bill would amend the Natural Resources and Environmental Protection Act to permit the Department of Natural Resources (DNR) to grant concessions within a State forest and to lease property owned or controlled by the Department. The bill specifies the funds that would receive money from a lease. The bill also would delete current provisions that permit the DNR to lease lands to certain groups.

The bill is tie-barred to Senate Bill 771, which would require the DNR to develop an integrated recreation system for activities within State forests.

MCL 324.503 & 324.509

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

The bills (including Senate Bill 771, which is tie-barred) would result in an indeterminate increase in revenues, dependent upon the amount and type of fees the Department would establish, the amount of revenue from concessions or leases, and the success of the Department in increasing the use of State forest lands for recreational purposes. There also could be potential cost savings from increased volunteer activity, and potential cost increases from additional enforcement activities on State forest lands.

According to the Department of Natural Resources (3/21/96), House Bill 5503 and Senate Bill 771 would provide the authority to establish user fees to collect additional revenue of approximately \$3 million. This fee revenue would be generated from new sources such as trail use (cross country skiing, mountain biking, hiking, horseback riding), dispersed camping in nondesignated campgrounds, and water access sites on lakes and streams. The bill does not set the specific amount or type of fee, but would establish broad authority for the Department and require a six-month notice before the DNR could establish a new fee. The Department estimate is based on providing funding at \$2 to \$3 per State forest acre, compared with the current forest recreation funding level of slightly less than \$1.50 per acre.

Date Completed: 5-20-96

Fiscal Analyst: G. Cutler

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