Legislative Analysis



RECREATIONAL PASSPORT AREAS

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

House Bills 6124 and 6125 as reported from committee

Analysis available at http://www.legislature.mi.gov

Sponsor: Rep. Roger Victory Committee: Natural Resources

Complete to 12-12-18

BRIEF SUMMARY:

<u>House Bill 6124</u> would amend various sections of the Natural Resources and Environmental Protection Act (NREPA) to require recreation passports at recreational fee areas within Michigan. Among other things, the bill would add state trailheads and state forest campgrounds, as designated by the director of the Department of Natural Resources (DNR), to the locations that require a recreational passport for vehicular entry.

<u>House Bill 6125</u> would amend the Vehicle Code to update provisions relating to recreation passports. The bill is tie-barred to HB 6124, which means it cannot take effect unless HB 6124 is also enacted.

Each bill would take effect 90 days after its enactment.

BACKGROUND INFORMATION:

Michigan residents can purchase a recreation passport for \$11 when getting or renewing their license plates via the Secretary of State. The passport is valid for one year (or the period of the registration) and allows entry to state parks, boat launches, and recreation areas. Recreation passports can also be purchased by Michigan residents outside the annual vehicle registration process, and nonresidents may purchase annual or daily motor vehicle park permits. Recreation passports are not required for entry on foot or bicycle into statemanaged sites or for certain exempted vehicles (e.g., those with disabled veteran plates). For more information, see: https://www.michigan.gov/dnr/0,4570,7-350-79134_79210----,00.html

DETAILED SUMMARY:

Under both bills:

Recreation passport would mean any of the following, as applicable, that authorizes entry into a *recreational fee area*:

- A distinctively marked registration tab or sticker, or alternative method to indicate that a recreation passport fee has been paid, issued under Chapter VII within the Michigan Vehicle Code.
- A recreation passport issued under Part 741 within NREPA.

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Recreation passport fee would mean a fee paid for a recreation passport under Section 805 of the Michigan Vehicle Code, Part 741 (State Parks System) of NREPA, or orders issued or rules promulgated under those statutes.

Recreational fee area would refer to any of the following:

- State parks.
- State-operated public boating access site.
- State trailheads.
- State forest campground

<u>House Bill 6124</u> would amend Part 20 (Michigan Conservation and Recreation Legacy Fund) of NREPA to include the new definition of recreation passport fee.

The bill would also amend Part 723 (Trails) of NREPA to prohibit the operator of a motor vehicle from entering a *state trailhead* that has been designated by the director of the Department of Natural Resources (DNR) as requiring a recreation passport, except in compliance with the recreation passport requirements of Part 741.

State trailhead would mean a state-operated parking lot and any associated facilities that provide motor vehicle parking access to a designated trail, route, or pathway.

The bill would amend Part 741 (State Parks System) of NREPA to develop procedures for when and how to charge operators of certain motor vehicles a recreation passport fee for a recreation passport upon entry of recreational fee areas.

The bill would allow the DNR to issue annual and daily recreation passports to authorize nonresident motor vehicles or any commercial motor vehicle entry into a recreational fee area, which would have different fee structures than a passport for a resident motor vehicle. The current fee amounts would remain unchanged under the bill. Operators of motor vehicles would not be able to enter a recreational fee area without a current passport, and the DNR would be required to post signs at recreational fee areas that state that a recreation passport is required for entry by a motor vehicle. Additionally, a passport for a nonresident motor vehicle could not be used for a nonresident commercial motor vehicle, which would be defined as a commercial motor vehicle that is not registered as a motor vehicle in this state.

The passport for all motor vehicles would have to be displayed in the lower right-hand corner of the motor vehicle windshield. If it is an annual passport, then it would have to be affixed to the windshield in the manner for which it is designed.

These provisions would only apply to the entry of motor vehicles into recreational fee areas, and the bill would specify that additional permits for special services or park privileges may be required.

Currently, a person cannot be cited for entering a recreational fee area without a recreation passport for both a *nonresident motor vehicle* or any *commercial motor vehicle* and a *resident motor vehicle* for the same incident. The bill would strike this provision.

The bill also would amend Part 781 (Michigan State Waterways Commission) of NREPA to align its provisions with the updates provided for in Part 741, above. Additionally, the bill would specify that the operator of a motor vehicle could not enter a state-operated public boating access site designated by the director of the DNR as requiring a recreation passport without first obtaining a passport under Part 741. The bill also would remove the ability of the DNR to charge separate fees for passes authorizing entry by nonresident motor vehicles or commercial motor vehicles at state-operated public boating access site.

Additionally, the bill would repeal Section 78119, which pertains to entry into state-operated public boating access sites that require a pass, tab, or sticker, or a recreation passport fee, as well as penalties for violating that section.

Finally, the bill would amend Part 831 (State Forest Recreation) of NREPA to prohibit the operator of a motor vehicle from entering a state forest campground designated by the director of the DNR as requiring a recreation passport without first obtaining a passport under Part 741. The bill also would remove a provision prohibiting the DNR from requiring a permit or payment of a fee for use of a state forest nonmotorized trail or pathway or state forest campground facility, except as specifically allowed elsewhere in the act.

MCL 324.2001 et al.

<u>House Bill 6125</u> would amend the Michigan Vehicle Code to update provisions relating to the changes proposed by HB 6124, such as including "state forest campgrounds, state trailheads, and state-operated public" boating access sites in the application for an annual authorization of entry and removing references to the repealed NREPA Section 78119.

Additionally, the bill would mandate that a distinctively marked registration tab or sticker, or alternative method to indicate that a recreation passport fee has been paid, would constitute a recreation passport for the purposes of Part 741 of NREPA.

MCL 257.805

FISCAL IMPACT:

<u>House Bill 6124</u> is likely to increase revenues for the DNR by requiring a valid recreation passport to enter a recreational fee area (state boating access, state forest campground, state park, or state trailhead) for resident and nonresident commercial and noncommercial vehicles. Vehicles that are not currently subject to the recreation passport requirement would be required to display a recreation passport under the bill. Sales of recreation passports generated \$29.0 million in FY 2016-17; this revenue supported Secretary of State programs as well as state and local public recreation appropriations used by the DNR. The bill may indirectly increase revenue for local units of government as increased recreation

passport revenue passes through the DNR to local governments in accordance with statutorily defined distribution. The bill is unlikely to increase costs for the DNR or local units of government.

<u>House Bill 6125</u> would have no fiscal impact on the Department of State (DOS) or local units of government. DOS receives the first \$1.0 million collected in recreation passport fees for expenses incurred in the administration of recreation passports. Fee revenue consistently far exceeds DOS's share. In Fiscal Year 2016-17, \$29.0 million was collected in fee revenue. Any additional revenue collected as a result of the bill would be distributed to various funds as directed by statutory formula.

POSITIONS:

The following entities indicated support for the bills:

- Department of Natural Resources (12-5-18)
- Michigan Environmental Council (11-28-18)
- Michigan Trails and Greenways Alliance (12-5-18)
- Michigan League of Conservation Voters (12-5-18)
- Michigan Snowmobile Association (12-5-18)

The Cycle Conservatory Club of Michigan indicated opposition to the bills. (12-5-18)

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[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.