



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

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 1258 (as reported without amendment)

Sponsor: Senator Goeff Hansen

Committee: Outdoor Recreation and Tourism

CONTENT

The bill would amend the Michigan Vehicle Code to require an applicant for the issuance or renewal of a motor vehicle registration or for a replacement registration tab to submit a recreation passport fee to the Secretary of State unless he or she elected not to pay it.

MCL 257.805

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would have a positive fiscal impact on the Department of Natural Resources (DNR) and a positive fiscal impact on local units of government. The bill likely would result in increased participation in the Recreation Passport program through the enactment of what is known as an 'opt-out' participation model, as opposed to current law, which is an 'opt-in' model. In fiscal year (FY) 2016-17, the Recreation Passport had a participation rate of about 33% under the current opt-in model. It is unknown how much that rate would increase under the bill's opt-out model, but the table, below provides FY 2016-17 actual Recreation Passport revenue at the observed participation rate of 33%, and compares that with hypothetical participation rates of 50% and 75%. The table also lists where those funds would be directed under statutory formula, which would remain unchanged by the bill.

FY 2016-17 Recreation Passport Revenue at Various Participation Rates			
	FY 2016-17 Actual Revenue (33% Participation)	FY 2016-17 Est. Revenue at 50% Participation	FY 2016-17 Est. Revenue at 75% Participation
FY 2016-17 Recreation			
Passport Revenue.....	\$29,023,200	\$43,974,500	\$65,961,800
Sec. of State Administration	1,000,000	1,000,000	1,000,000
Park Improvement Account	11,580,200	11,580,200	11,580,200
State Waterways Fund	1,114,700	1,114,700	1,114,700
FY 2016-17 Amount.....			
Distributed Under Formula....	\$15,328,300	\$30,279,600	\$52,266,900
50% State Parks Capital Outlay	7,664,200	15,139,800	26,133,400
30% State Parks Operations & Maintenance	4,598,500	9,083,900	15,680,100
10% Local Public Recreation Facilities.....	1,532,800	3,027,900	5,226,700
7% Forest Recreation.....	1,073,000	2,119,600	3,658,700
2.75% State Parks Cultural & Historical Resources.....	421,500	832,700	1,437,300
0.25% Marketing & Promotions	38,300	75,700	130,700

Date Completed: 12-13-18

Fiscal Analyst: Josh Sefton

floor\sb1258

Bill Analysis @ www.senate.michigan.gov/sfa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.