



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bill 1258 (as introduced 12-4-18)  
Sponsor: Senator Goeff Hansen  
Committee: Outdoor Recreation and Tourism

Date Completed: 12-14-18

**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 or sticker to submit a recreation passport fee to the Secretary of State (SOS) unless he or she elected not to pay the fee on the application.**

Under the Code, an applicant for the issuance or renewal of a motor vehicle registration or for a replacement registration tab or sticker may submit a State park and State operated public boating access site passport fee to the SOS with the application. The bill would change the term "State park and State operated public boating access site passport fee" to "recreation passport fee", and would require an applicant to submit the recreation passport fee, unless he or she elected not to pay. Additionally, the bill would change the information on an application for a motor vehicle registration to comply with the requirement for an applicant to pay the passport fee, unless he or she elected not to pay.

"Recreation passport fee" means the State park and State-operated public boating access site recreation passport fee.

The current recreation passport fee is \$11, or \$6 for a motorcycle. (The Code prescribes a \$10 fee for a vehicle, \$5 for a motorcycle. Each year, the amount must be adjusted for inflation, and rounded to the nearest dollar.)

The bill would take effect 90 days after its enactment.

MCL 257.805

Legislative Analyst: Tyler VanHuyse

**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 has generally been referred to 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.

<b>FY 2016-17 Recreation Passport Revenue at Various Participation Rates</b>			
	<b>FY 2016-17 Actual Revenue (33% Participation)</b>	<b>FY 2016-17 Est. Revenue at 50% Participation</b>	<b>FY 2016-17 Est. Revenue at 75% Participation</b>
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

Fiscal Analyst: Josh Sefton

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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.