## **Legislative Analysis**



## RECREATION PASSPORT FEE WAIVER

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

House Bill 4380 as introduced Sponsor: Rep. John Bizon, M.D.

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

House Bill 4381 as introduced Sponsor: Rep. Jason Wentworth

**Committee: Military and Veterans Affairs** 

**Complete to 11-27-17** 

## **SUMMARY:**

House Bills 4380 and 4381 would respectively amend the Michigan Vehicle Code and the Natural Resources and Environmental Protection Act to provide for a waiver of recreation passport fees for honorably discharged veterans who are totally or permanently disabled and who do not have a special disabled veteran license plate.

Currently under the Michigan Vehicle Code, when obtaining or renewing a license plate, a Michigan motorist can pay a fee to obtain a recreation passport that grants access to all state-owned parks and public boating access sites. Motor vehicles with certain special license plates, including disabled veteran plates under Section 803f, are exempt from the requirement that a recreation passport be purchased to enter those sites. House Bills 4380 and 4381 would extend this exemption to include disabled veterans who do not have a special license plate.

<u>House Bill 4380</u> would amend Section 805 of the Michigan Vehicle Code to provide that an individual who was honorably discharged from the armed services would be <u>considered</u> to have paid the recreation passport fee if he or she submits proof of total or permanent disability, as specified in the Code, with his or her vehicle registration application.

MCL 257.805

<u>House Bill 4381</u> would amend the Natural Resources and Environmental Protection Act to allow individuals whose recreation passport fee is considered to have been paid, as provided for by HB 4380, to enter state parks and state-operated public boating access sites on the same basis as individuals who submitted the recreation passport fee under section 805 of the Michigan Vehicle Code.

MCL 324.74116 and 324.78119

<u>House Bills 4380 and 4381</u> are tie-barred to each other, which means that neither can take effect unless both are enacted. Each bill would take effect 90 days after its enactment.

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## **FISCAL IMPACT:**

House Bills 4380 and 4381 would reduce revenue for the Department of Natural Resources (DNR) by exempting honorably discharged veterans who are totally or permanently disabled from the recreation passport requirement for entry to state park facilities. It is unclear how many recreation passports are purchased by this population, so the extent of a potential revenue loss is also unclear. Recreation passport sales generated approximately \$27.6 million in FY 2015-16 revenue for the DNR; the department uses this revenue to support state parks, local public recreation facilities, and forest recreation programs, as well as cultural and historical programs, throughout the state. The bills are unlikely to directly affect costs or revenues for local units of government, although a loss of revenue at the state level could result in a reduction in available state funding for local recreation facilities.

House Bills 4380 and 4381 would have an indeterminate, but likely limited, cost impact on the Secretary of State due to the cost of programming revisions to its automated administrative information systems. The bills would have no direct impact on the Secretary of State due to the proposed waiver of recreation passport fees. The Secretary of State received \$23.3 million in recreation passport fees in fiscal year 2015-16 and is authorized to collect \$1 million each fiscal year to support administrative costs before funds are allocated to state parks as provided by MCL 324.2045(1).

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<sup>■</sup> 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.