



COUNTY ROAD ASSOCIATION OF MICHIGAN

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Talking Points- State Park Passport Fees

Summary:

House Bill 4677, introduced by Rep. Rebekah Warren (D-Washtenaw), and **Senate Bill 388**, introduced by Sen. Patty Birkholz (R-Allegan), would amend the Natural Resources and Environmental Protection Act (NREPA) to create the Local Public Recreation Facilities Fund. The fund would be used to support the development of public recreation facilities (state and local parks).

House Bill 4678, introduced by Rep. Arlan Meekhof (R-Ottawa), and **Senate Bill 389**, introduced by Sen. Ray Basham (D-Wayne), would amend the Michigan Vehicle Code to create the “recreation passport fee.” This legislation would add a \$10 fee to motor vehicle registrations unless the motorist signs an affidavit that the vehicle will not be used to enter a state park, recreation area, public boating access site, or state forest campground or to provide access to any state forest non-motorized trail.

CRAM position:

CRAM strongly opposes this legislation.

Background:

Traditionally, transportation and state parks have had their own unique fee structures. Transportation is funded by fuel tax revenues and vehicle registration fees and state parks are funded by daily or seasonal permit fees paid by park visitors. Until recently, state parks have received additional funding from general fund revenues. Now that these funds are not available, some have supported the idea of tacking a fee onto vehicle registrations to pay for state parks.

Article IX, Section 9 of the Michigan Constitution provides that:

“All specific taxes, except general sales and use taxes and regulatory fees, imposed directly or indirectly on fuels sold or used to propel motor vehicles upon highways and to propel aircraft and on registered motor vehicles and aircraft shall, after the payment of necessary collection expenses, be used exclusively for transportation purposes as set forth in this section.”

The park access fee cannot be considered a regulatory fee under Article IX, Section 9 because there is no connection between park access and a regulatory function related in any way to transportation.

The distinction between a fee and a tax is important in analyzing whether the addition of the cost of a park access fee to the cost of obtaining or renewing a registration for a non-commercial motor vehicle violates the Headlee Amendment of the Michigan Constitution.

In *Bolt v. City of Lansing*, a true “fee” is not designed to confer benefits on the general public, only the person on whom it is imposed. Under **HB 4678 and SB 389**, the “fee” is intended expressly for the purpose of raising revenue to operate state and local parks, not for a specific benefit conferred. It is not reasonable to expect that every person who has this fee attached to their vehicle registration would use the park system, although there would be a benefit to the general public. Based on our review and that of our legal counsel, CRAM believes the proposed “fee” would be characterized as a “tax.”

Beyond the questions of constitutionality, CRAM believes it is bad public policy to co-mingle user fees for various services.

Talking Points:

- CRAM understands we have a need to fund state parks, just as we do our roads and bridges. Parks and roads each have their own unique system of user fees. Co-mingling these fees is bad public policy;
- If parks need more money, the sticker prices should be increased as Gov. Granholm suggested earlier this year. When road agencies need more money for roads, we advocate increasing our user fees, not to piggy back on others;
- CRAM supports increasing vehicle registration fees for roads, and acknowledges that it would be nearly impossible to convince legislators to vote to increase these fees twice in any given period, but CRAM's reasons for opposing this legislation go much further;
- CRAM believes this legislation violates the Michigan Constitution;
- CRAM opposes any attempts to weaken Article IX, Section 9 of the Michigan Constitution which would eventually lead to the siphoning off of transportation funding;
- Parks were traditionally funded with general fund revenues. If the goal is to ensure that parks are available for the use of all residents and serve as a tourist attraction they should be funded once again through park permit fees and the general fund; and
- This legislation also establishes a system which would invite illegal access and confusion not present with the current user fee structure.
 - The SOS will likely not ask each person if they wish to be included or excluded.
 - There is not a different license plate or sticker for those not wishing to pay to use the parks, inviting many to play but not pay.
 - It would be very difficult to police the use of state parks under this system. There would be little to no cost savings as DNR employees would still need to be present at the parks to sell passes to those who opt out and tourists visiting Michigan.