



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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Senate Bill 771 (Substitute S-2 as passed by the Senate)  
 Sponsor: Senator Philip E. Hoffman  
 Committee: Agriculture and Forestry

Date Completed: 8-6-96

### RATIONALE

Michigan's forest system is made up of approximately 3.9 million acres of land, making it the largest state forest system in the United States. Fifteen times larger than the State's park system and 14 times larger than the State's game and wildlife area system, the forest system provides numerous recreational, economic, and ecological benefits. Despite the value of this resource, the State's forest system has experienced reductions in funding and personnel. Following the proposed closure of approximately one-third of the State forest campground system in 1990, the State Forest Recreation Advisory Committee was formed to address key recreation issues facing the State's forests. In June 1995, the committee issued "Forest Recreation 2000", a strategic plan for the State's forest recreation system that outlined a number of recommendations, including the creation of a stable funding source, to enhance and strengthen this system. The Natural Resources Commission has endorsed these recommendations to preserve the State's forest recreation program.

### CONTENT

**The bill would add Part 831 to the Natural Resources and Environmental Protection Act (NREPA) to govern forest recreation and require the Department of Natural Resources (DNR) to develop and maintain an integrated recreation system in each State forest. The bill also would do the following:**

- Permit the DNR to enter into contracts, grant concessions within a State forest, lease property, and take certain specified actions to implement Part 831.**

- Create the Forest Recreation Fund to develop, maintain, and promote forest recreation activities.**
- Permit the DNR to appoint volunteers to facilitate forest recreation activities.**
- Permit the DNR to require a person to obtain a permit to use a State forest's land and facilities for recreation use.**
- Permit the DNR Director to commission State forest officers to enforce rules promulgated under Part 831 and the Act, and specify that the forest officers would have the same powers as peace officers under State law.**
- Establish a civil fine for persons who violated Part 831 or a rule promulgated under it.**

The bill is tie-barred to House Bill 5503, which would amend the NREPA to permit the DNR to grant concessions within a State forest and to lease property owned or controlled by the Department. The bill specifies the funds that would receive money from a lease. The bill also would delete current provisions that permit the DNR to lease lands to certain groups. The Senate substitute to the House bill is tie-barred to Senate Bill 771.

### State Forest Recreation

The DNR would be required to develop, operate, maintain, and promote an integrated recreation system that provided opportunities for hunting, fishing, camping, hiking, snowmobiling, boating, trail-related activities, and other forms of recreation within each State forest.

In implementing this requirement, the Department could do any of the following:

- Enter into contracts or agreements with a person as necessary to implement Part 831.
- Grant concessions to a person within the boundaries of a State forest. In granting a concession, the Department would have to provide that each concession was awarded at least every seven years based on extension, renegotiation, or competitive bidding.
- Lease property to a person.
- Accept gifts, grants, or bequests from any public or private source or from the Federal government or a local unit of government for furthering the purposes of Part 831.

Unless otherwise provided by Federal law, all money collected under these provisions would have to be deposited in the Forest Recreation Fund.

#### Forest Recreation Fund

The Forest Recreation Fund would be created in the State Treasury. The Fund could receive money as provided in the bill and from any other source. The State Treasurer would have to direct the Fund's investment, and would have to credit to the Fund interest and earnings from its investments. Money remaining in the Fund at the end of a fiscal year would have to be carried over in the Fund to the next and succeeding fiscal year. Unless otherwise appropriated by the Legislature, money in the Fund would have to be used by the Department to develop, maintain, operate, and promote forest recreation activities and to implement Part 831.

#### Volunteers

The Department could appoint persons to function as volunteers to facilitate forest recreation activities. While a volunteer was serving in this capacity, he or she would have the same immunity from civil liability as a Department employee and would have to be treated in the same manner as an employee under provisions of the governmental immunity Act concerning civil or criminal actions against an officer or employee of a governmental agency. A volunteer could not carry a firearm when functioning as a volunteer.

#### Permits

The DNR could require a person to obtain a permit for camping in designated State forest campgrounds and could establish and collect a fee for the camping permit.

The DNR could require a person to obtain a permit, except as otherwise provided by law, for using land and facilities within a State forest as designated by the Department for recreation use. The DNR could establish and collect a fee for permits issued under the bill. At least six months before imposing a fee increase for a particular use or activity within a State forest, the Department would have to notify the general public of the fee or increase and would have to notify in writing the legislative standing committees having jurisdiction over issues primarily related to natural resources and the environment. In addition, the DNR would have to submit to the Senate and House Appropriation Committees a full fee schedule for the review and concurrence of each Committee. After each Committee's review and concurrence, the fee schedule would have to be implemented by the Director's order.

Money collected under these provisions would have to be deposited into the Forest Recreation Fund.

#### Forest Officers

To ensure compliance with Part 831, rules promulgated under it and the NREPA, including the State land use rules provided in the Michigan Administrative Code, and any of the Director's orders, the Director could commission State forest officers to enforce within the boundaries of the State forest these rules and any State laws specified in those rules as enforceable by commissioned State forest officers. In performing those enforcement activities, commissioned State forest officers would be vested with the powers, privileges, prerogatives, and immunities conferred upon peace officers under State laws.

#### Rules/Penalty

The Department could promulgate rules to implement Part 831.

A person who violated Part 831 or a rule promulgated under it would be responsible for a State civil infraction and would be subject to a civil fine of up to \$500.

Proposed MCL 324.83101-324.83109

## **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

### **Supporting Argument**

Many Michigianians and out-of-State tourists visit State forests to participate in recreational activities at more than 148 campgrounds and on 5,200 miles of snowmobile trails, 2,500 off-road vehicle trails, and 1,100 nonmotorized trails, as well as the many rivers that form water trails throughout the forests. Tourism and recreational activities generate a \$12 billion yearly contribution to the State's economy, according to the DNR. In addition to recreational and economic benefits, Michigan's forests provide a diverse habitat for a wide range of animal and plant species.

Nevertheless, Michigan's State forest recreation system does not receive funding in proportion to the benefits it contributes to the State. In 1979, the forest campground and pathway system, which included 180 State forest campgrounds and fewer nonmotorized trails than currently exist, was appropriated \$1.6 million. Of that amount, 89% came from the State's General Fund and 11% was generated by State forest campground fees. This funding authorized the employment of 64 full-time equated employees (FTEs), who provided campers with a number of services, such as trash and litter cleanup, campground security, and information about local recreational opportunities and services. The funding steadily declined until the early 1990s when there was concerted effort to restore some of the funding for the State forest system. Although funding levels have improved, many still feel the campground and pathway system is underfunded. The program today is funded at about the same amount as in 1979. Based on the Consumer Price Index, however, the value of a dollar in 1995 was worth about half the value of a 1979 dollar. Furthermore, almost one half of the funding is generated by State forest campground camper fees compared with 10% in 1979. Thus, campground fees have increased as General Fund appropriations have decreased. In addition, the funding authorizes the employment of only 20 FTEs. This has resulted in deferred

maintenance of campgrounds and trails, little visitor contact with Department park personnel, and the closure of some campgrounds.

The bill's establishment of a Forest Recreation Fund would aid in revitalizing the State forest recreation system by providing it with additional sources of funding. The bill would permit the DNR to grant concessions to provide recreational services, such as liveries and snack bars. While the DNR already collects fees to use campground facilities, the Department under the bill also could require that a person obtain a permit to camp in State forests or to use State forest land or facilities for other activities such as trails or water access sites, and could establish and collect a fee for these permits.

**Response:** The bill would require the DNR to use money in the Forest Recreation Fund to develop maintain, operate, and promote forest recreation activities, unless the money were "otherwise appropriated by the legislature". Although the Fund would be supported by these new fees, money in the Fund could be appropriated for programs other than forest recreation activities.

### **Supporting Argument**

One of the recommendations made by the State Forest Recreation Advisory Committee was for the DNR to use volunteers to assist DNR personnel in operating the forest recreation system. Student interns, the committee noted, could provide an enthusiastic, well trained labor force to supplement regular State employees. The DNR already has some experience in using the services of volunteers, such as host campers, at some of its sites. The bill would help to foster the increased use of volunteers by giving them immunity from civil liability, in the same manner that current DNR employees now are protected. The bill also would grant State forest officers authority to enforce laws and rules pertaining to the use of State forests, as recommended by the Advisory Committee.

### **Opposing Argument**

The bill falls far short of implementing significant recommendations of the State Forest Recreation Advisory Committee. The committee was established in 1990 following the DNR's proposed closure of almost one-third of the State's forest campground system. The Committee was composed of persons who used the forest system for camping, hiking, snowmobiling, hunting, fishing, horseback riding, canoeing, cross country skiing, and riding off-road vehicles; as well as members of the tourism and forest product

industries. In a report issued June 16, 1995, the committee noted that previous solutions to the funding problem for the forest recreation system were merely temporary fixes that resulted in trails with signs missing, forest roads where there were no bridges over streams, and campgrounds with capped wells and cracked toilet vaults that were no longer environmentally safe. The committee recommended a long-term, stable funding strategy that involved a mix of users' paying their share and the State's providing revenues in recognition of the system's importance to the economy and quality of life in Michigan. Specifically, the committee called for gaining voter approval of a \$25 million State Forest Recreation Bond capital improvement program to renovate the facilities of the State forest recreation system. Although the bill would establish the Forest Recreation Fund, it fails to address an important source of revenue for that Fund and, instead, relies on new fees that could be difficult to collect predictably.

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

The bill would result in an indeterminate increase in revenues, dependent upon the amount and type of fees the Department would establish, the amount of revenue from concessions or leases, and the success of the Department in increasing the use of State forest lands for recreational purposes. There also could be potential cost savings from increased volunteer activity, and potential cost increases from additional enforcement activities on State forest lands.

According to the Department of Natural Resources (3/21/96), the bill would provide the authority to establish user fees to collect additional revenue of approximately \$3 million. This fee revenue would be generated from new sources such as trail use (cross country skiing, mountain biking, hiking, horseback riding), dispersed camping in nondesignated campgrounds, and water access sites on lakes and streams. The bill does not set the specific amount or type of fee, but would establish broad authority for the Department and require a six-month notice before the DNR could establish a new fee. The Department estimate is based on providing funding at \$2 to \$3 per State forest acre, compared with the current forest recreation funding level of slightly less than \$1.50 per acre.

Fiscal Analyst: G. Cutler

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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.