



# The Florida Senate

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Committee on Environmental Preservation and Conservation

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## COMBINING VEHICLE REGISTRATION WITH AN ANNUAL PASS FOR FLORIDA STATE PARKS

### Issue Description

There are several states that offer residents the ability to purchase annual passes to state park systems through their vehicle registration processes. Montana requires that motorists opt out of the annual state park pass. Conversely, Michigan and Washington have adopted opt-in programs. Nevada and Wyoming are considering similar programs. California voters rejected the imposition of a mandatory state park fee. The Department of Environmental Protection (DEP) is also evaluating these programs and would like to reduce the cost of state passes for park visitors.

### Background

#### Florida State Park System

Florida is the only two-time winner of the National Recreation and Park Association's Gold Medal Award for Excellence in Park and Recreation Management.<sup>1</sup> The state is again one of the finalists for the award in 2011. Results will be announced in November 2011.<sup>2</sup> The Division of Recreation and Parks (division) within the DEP oversees all of Florida's 160 parks. The state park system encompasses 700,000 acres and 100 miles of beach.

The division has statutory authority to charge reasonable fees for the use or operation of facilities and concessions in state parks. The monies collected from these fees are deposited into the State Park Trust Fund, which is used for the administration, improvement and maintenance of the state parks and any acquisition of lands for state park purposes.<sup>3</sup> The division's mission "is to provide resource-based recreations while preserving, interpreting and restoring natural and cultural resources."<sup>4</sup>

The division offers two types of annual entrance passes: a family pass costs \$120 per year, which allows entrance for up to eight people, and an individual annual pass for \$60.<sup>5</sup> Florida also offers discounts and free annual passes to certain members of the military and family of fallen soldiers, law enforcement officers and firefighters.<sup>6</sup> The division sold approximately 29,500 passes in fiscal year 2010-2011, 61 percent family and 39 percent individual.<sup>7</sup>

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<sup>1</sup> National Recreation and Park Association, *Historical List of Gold Medal State Recipients*, [http://www.nrpa.org/uploadedFiles/Explore\\_Parks\\_and\\_Recreation/Park\\_and\\_Rec\\_Issues/Gold%20Medal%20Winners%20-%20State%20Parks%202009.pdf](http://www.nrpa.org/uploadedFiles/Explore_Parks_and_Recreation/Park_and_Rec_Issues/Gold%20Medal%20Winners%20-%20State%20Parks%202009.pdf) (last visited Aug. 1, 2011).

<sup>2</sup> Press Release, National Recreation and Park Association, *Finalists Announced for the 2011 National Gold Medal Awards* (May 5, 2011), available at [http://www.nrpa.org/uploadedFiles/Explore\\_Parks\\_and\\_Recreation/Park\\_and\\_Rec\\_Issues/2011%20GM%20Finalists%20Press%20Release.pdf](http://www.nrpa.org/uploadedFiles/Explore_Parks_and_Recreation/Park_and_Rec_Issues/2011%20GM%20Finalists%20Press%20Release.pdf) (last visited Aug. 1, 2011).

<sup>3</sup> Section 258.014(1), F.S.

<sup>4</sup> DEP, Recreation and Parks, <http://www.dep.state.fl.us/parks/> (last visited Aug. 1, 2011).

<sup>5</sup> DEP, *Florida State Parks*, [http://www.floridastateparks.org/resources/doc/statewide/fspguide\\_front.pdf](http://www.floridastateparks.org/resources/doc/statewide/fspguide_front.pdf) (last visited Aug. 1, 2011).

<sup>6</sup> DEP, Florida State Parks, *Annual Pass Information*, <http://www.floridastateparks.org/thingsknow/annualpass.cfm#discountsforveterans> (last visited Aug. 9, 2011).

<sup>7</sup> Email from Dawn Pigott, Legislative Analyst, The Florida Senate (Aug. 8, 2011) (on file with the Senate Committee on

Passes may be purchased at the park, by fax, mail or online. The Florida Park Service reported that more than 20.4 million visitors enjoyed Florida's parks last year, an increase of 300,000 over the previous year.<sup>8</sup> Approximately 74 percent were Florida residents, 23 percent out-of-state visitors and 3 percent international visitors.<sup>9</sup>

In fiscal year 2010-2011, the division generated \$55 million in revenues. The state parks operating budget was \$80 million. The shortfall between operating expenses and revenues was funded from the Land Acquisition Trust Fund (documentary stamp proceeds). No general revenue funds are used.<sup>10</sup> In fiscal year 2010-2011, state parks were over 68 percent self-sufficient.<sup>11</sup>

### Vehicle Registration Check-offs

As of July 1, 2011, there were approximately 13.8 million autos, pickups and motorcycles registered in Florida.<sup>12</sup> Section 320.023, F.S., outlines the procedure for organizations to apply for a voluntary check-off on motor vehicle registration applications. Applications for check-offs that adhere to the requirements of this section must also be approved by the Legislature before the check-off appears on vehicle registration applications.<sup>13</sup> The check-offs allow a registered vehicle owner or registrant to voluntarily contribute to one or more authorized organizations. Contribution amounts are left blank and can be filled in by the owner or registrant in any amount.

Before an organization is approved, it must submit an application to the Department of Highway Safety and Motor Vehicles (DHSMV) at least 90 days before the convening of a Regular Session of the Legislature. The application must include:

- A request for the particular contribution that is being sought, described in general terms;
- An application fee not to exceed \$10,000. State funds may not be used to pay this fee; and
- A strategy for short and long-term marketing plans and a financial analysis of anticipated revenues and expenditures deriving from the contribution.<sup>14</sup>

The following are existing check-offs for voluntary contributions included in vehicle registration forms mailed to residents. They are also included in the DHSMV's online services portal.

- Blind Babies and Blind Youth Services,
- Children's Hearing Help Fund,
- Child Safety Seat Fund,
- Family First,
- Florida Sheriff Youth Ranch,
- League Against Cancer,
- Manatee Fund,
- Mothers Against Drunk Drivers,
- Organ and Tissue Donor Education,
- Prevent Blindness Florida,
- Prevent Child Abuse,

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<sup>8</sup> Press Release, DEP, *Millions of Floridians and Visitors Enjoy Natural Treasures at Florida's State Parks* (July 26, 2011), available at <http://content.govdelivery.com/bulletins/gd/FLDEP-c4328> (last visited Aug. 4, 2011).

<sup>9</sup> Email from Donald Forgione, Director, Florida Park Service, DEP (Aug. 4, 2011) (on file with the Senate Committee on Environmental Preservation and Conservation).

<sup>10</sup> Email from Dawn Pigott, Legislative Analyst, The Florida Senate (Aug. 4, 2011) (on file with the Senate Committee on Environmental Preservation and Conservation).

<sup>11</sup> Email from Sue Oshesky, Chief of Budget and Planning, DEP (Aug. 4, 2011) (on file with the Senate Committee on Environmental Preservation and Conservation).

<sup>12</sup> DHSMV, Division of Motor Services, *Count of Vehicles Registered, FY 2011-2012 (Jul)*, available at [http://www.flhsmv.gov/html/reports\\_and\\_statistics/CVR/11-12/CVR-07-2011.pdf](http://www.flhsmv.gov/html/reports_and_statistics/CVR/11-12/CVR-07-2011.pdf) (last visited Aug. 5, 2011).

<sup>13</sup> Section 320.023(2), F.S.

<sup>14</sup> Section 320.023(1), F.S.

- Prevent Child Sexual Abuse,
- Ronald McDonald House,
- Southeastern Guide Dogs, Inc.,
- State Homes for Veterans,
- Stop Heart Disease,
- Support Wildlife,
- The Arc of Florida,
- Transportation Disadvantaged, and
- Turtle Fund.<sup>15</sup>

Of the 20 approved voluntary contribution check-offs, proceeds of seven are managed by state agencies. The State Homes for Veterans is the most recent state-managed voluntary contribution check-off. The Legislature authorized this check-off in 2008.<sup>16</sup> The staff analysis on the bill, HB 1027, notes that a statutory cross-reference exempting the Department of Veterans' Affairs from the requirements of s. 320.023, F.S., was necessary. The statute prohibits state funds from being used to pay for the application fee. The Department of Veterans' Affairs reported it had no revenue stream that would allow it to comply with that prohibition.<sup>17</sup>

### States with Similar Programs

Montana, Washington and Michigan are the only states that have annual passes tied to their vehicle registration programs. Nevada and Wyoming are also considering similar programs but have not moved forward with implementation. In California in 2010, voters struck down a similar program that would have mandated an \$18 fee be added to all vehicle registrations for park and wildlife conservation programs.<sup>18</sup> Nevada's fee schedule is by far the most complicated and potentially the most expensive depending on what types of passes are purchased.<sup>19</sup>

#### Montana

In 2004, Montana started charging residents a \$4 state park fee on all light vehicle registrations, those under 8,000 pounds. Previously, the daily entrance fee was \$5. The state park fee allows all residents year-round entrance into all of Montana's state parks and fishing access sites. Montana does not issue any special passes or decals. Entrance is free with a Montana license plate. For those residents who do not anticipate visiting any of Montana's state parks or fishing access points, they may opt out of the fee. Non-residents may still purchase annual vehicle passes or pay daily entrance fees. Non-resident annual passes cost \$25 per vehicle with a \$5 discount for two additional vehicles if all three passes are purchased at the same time.<sup>20</sup> The participation rate for Montana residents is approximately 75-80 percent. Residents are on the honor system when they visit a state park as to whether they have paid the \$4 park fee.<sup>21</sup> Approximately 1.75 million people visit Montana's parks each year.

#### Washington

Prior to 2009, Washington residents had the choice to opt in and add a \$5 donation for state parks to their vehicle registrations. At the time, entrance to all state parks was free.<sup>22</sup> State park expenses were funded from general tax

<sup>15</sup> See ss. 320.02, 320.08047 and 328.72, F.S. The Child Safety Seat Fund, Manatee Fund, Organ and Tissue Donor Education, State Homes for Veterans, Support Wildlife, Transportation Disadvantaged and Turtle Fund voluntary contribution proceeds are managed by state agencies.

<sup>16</sup> Chapter 2008-87, s. 2, Laws of Fla.

<sup>17</sup> Committee on Infrastructure, The Florida House of Representatives, *House Bill 1027 Staff Analysis* (Mar. 13, 2008), available at <http://archive.flsenate.gov/data/session/2008/House/bills/analysis/pdf/h1027a.INF.pdf> (last visited Aug. 4, 2011).

<sup>18</sup> California Secretary of State, *Official Voter Information Guide – Prop 21*, <http://www.voterguide.sos.ca.gov/propositions/21/> (last visited Aug. 4, 2011).

<sup>19</sup> Nevada Division of State Parks, *Fee Schedule*, <http://parks.nv.gov/pdf/Feesched10Inside.pdf> (last visited Aug. 5, 2011).

<sup>20</sup> Montana Fish, Wildlife & Parks, *Montana State Parks – Entrance Fees*, <http://fwp.mt.gov/parks/visit/entranceFees.html> (last visited Aug. 4, 2011).

<sup>21</sup> Telephone interview with Tom Reilly, Assistant Administrator, Montana State Parks (Aug. 5, 2011).

<sup>22</sup> Washington Legislature, *Final Bill Report 2SSB 5622*, <http://apps.leg.wa.gov/documents/billdocs/2011->

revenue. The state received approximately \$57,000 per month under the opt-in donation program. In September 2009, the state changed the program to an opt-out donation program. The total registration fee, including the \$5 donation, was listed as the amount due for registration. Washington residents were instructed to deduct the donation if they chose not to support state parks. Contributions jumped to more than \$1 million per month after the change to an opt-out program. An investigative report by KIRO Team 7 in Seattle showed that, “poor counties, less educated counties, and places with high non-English speaking population [we]re ‘donating’ at a disproportionately high rate.”<sup>23</sup> After the program became effective, legislators cut the parks budget by \$42 million.<sup>24</sup> The opt-out program was recodified during Washington’s 2011 Legislative Session and will remain in effect after implementation of a state “Discover Pass” in July 2011.<sup>25</sup>

During Washington’s 2011 Session, the Legislature passed SB 5622. The bill requires certain vehicles parked in state parks to display either a daily or annual “Discover Pass.” Non-motorized methods of entrance are still free. The cost of a daily pass is \$10, an annual pass is \$30. The pass can be purchased several ways: online, at a licensed dealer, by phone, at a state park or office and when renewing a vehicle registration.<sup>26</sup> Since the pass can be purchased at many licensed dealers and at state parks or offices, the cost is the same for residents and non-residents. There is a \$99 fine for not displaying a valid pass. It is reduced to \$59 with purchase of a Discover Pass.<sup>27</sup>

### **Michigan**

In October 2010, Michigan began selling a “Recreation Passport” replacing annual and daily fees for residents, which cost \$24 and \$6, respectively. The passport sells for \$10 per vehicle and \$5 per motorcycle/scooter. It can be purchased either when renewing a vehicle registration or at a park. The cost is the same; however, the state is considering increasing the price for passes not purchased during the vehicle registration process. In either purchasing method, the passport is valid for the length of the vehicle registration. When combined with vehicle registration, the passport is included on the regular renewal license tag sticker. It is denoted by a small “P” above the expiration month. Residents who purchase the passport at a park will receive a separate sticker to place on their windshields. The passports are non-transferrable between vehicles.

In Michigan there are some classes of license plates that do not require annual renewal. Owners of such tagged vehicles may still purchase a \$10 passport sticker that will be valid for the rest of the calendar year. There will be no increase in price for these passports because they cannot be purchased during the regular registration process. In addition, commercial vehicles weighing over 24,000 pounds and larger capacity buses or vans are required to pay a daily use fee of \$15. Park rangers are instructed to search parking lots for vehicles that do not have the “P” on the plate sticker or display another valid passport sticker. Initially rangers will leave reminders on vehicles that do not have valid stickers. After a warning period, they are authorized to issue fines up to \$100. Daily passes are no longer offered for Michigan residents. Non-residents may purchase either an annual or daily pass for \$29 or \$8, respectively, and cannot participate in the recreation passport program.<sup>28</sup>

The Michigan Legislature based its program on Montana’s model, but chose an opt-in program. The program will raise the same amount of revenues as under the old system with 17 percent participation. The program matched that participation rate its first month and had grown to 20 percent as of December 2010. State officials hope to reach 25 percent participation in 2011.<sup>29</sup>

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[12/Pdf/Bill%20Reports/Senate%20Final/5622-S2%20SBR%20FBR%2011%20E1.pdf](#) (last visited Aug. 5, 2011).

<sup>23</sup> Chris Halsne, *Stealth Donation Collection Earns Parks Millions*, kirov.com, Apr. 30, 2010, <http://www.kirov.com/news/23321662/detail.html> (last visited Aug. 5, 2011).

<sup>24</sup> *Id.*

<sup>25</sup> Section 46.16a.090, Revised Code of Washington. See also s. 46.16.076, Revised Code of Washington.

<sup>26</sup> Discover Pass, *The Discover Pass – your ticket to Washington’s great outdoors*, <http://www.discoverpass.wa.gov> (last visited Aug. 5, 2011).

<sup>27</sup> *Supra* note 22, at 2.

<sup>28</sup> Michigan Department of Natural Resources, *Answers to your questions about the Recreation Passport Revised 03/25/11*, [http://www.michigan.gov/dnr/0,1607,7-153-10365\\_55798\\_58027-234654--,00.html](http://www.michigan.gov/dnr/0,1607,7-153-10365_55798_58027-234654--,00.html) (last visited Aug. 5, 2011).

<sup>29</sup> John S. Hausman, *Michigan recreation passports: Easy to buy, hard to see*, Muskegon Chronicle, Feb. 7, 2011, available

## Findings and/or Conclusions

Seven states, including Florida, were researched for this report. They either have or are considering allowing residents to purchase park passes through their vehicle registration processes. Of the four states that do not have such programs, Nevada has the most expensive and complicated system of fees. At \$120 Florida's annual family pass is one of the more expensive passes offered. However, it allows entrance for up to eight people and has near universal acceptance at all state parks. Most of the other programs tie the pass to the vehicle, not the person.

The Florida state park system is one of the best in the country. It is the only two-time Gold Medal Award winner and is again a 2011 finalist for the prestigious award. The funding of the park system is also unique. No general tax revenue is used to fund park operations. Funding comes from a variety of sources including user fees and the Land Acquisition Trust Fund. Additionally, state park operations are over 68 percent self-sustainable. Even though Florida's state parks are not funded by general revenues, budget cuts and falling documentary stamp revenues may force the DEP to close parks. In fact, the DEP submitted a list of 53 parks targeted for potential closure ahead of the 2011 Regular Session. The closures would have saved approximately \$6.5 million.<sup>30</sup>

There are already 20 voluntary contribution check-offs included with Florida vehicle registrations. They are listed in alphabetical order on registration forms and online. A state park pass fee does not fit into the existing check-off scheme, which are all donations. If Florida implements an annual pass program through the vehicle registration process, the check-off for the pass must be set apart from the existing check-offs to ensure residents understand that it is not a contribution or donation but is the purchase of an annual state park pass.

Of the three states that have implemented vehicle registration/annual pass programs, Montana's has by far the highest participation rate. Montana's annual pass costs \$4 per year and is an opt-out program. Approximately 75-80 percent of Montana's residents participate in the program. It is still too early to evaluate Michigan and Washington's programs. However, preliminary numbers from Michigan's Recreation Passport show participation rates near 20 percent and growing. By implementing this program, Michigan was able to reduce the cost of an annual pass by 58.3 percent.

## Options and/or Recommendations

Pairing state park annual passes with vehicle registrations has merit and deserves further study. If members of the Legislature would like to explore the idea, a study must be completed. The Legislature must direct the division to conduct a study and appropriate funds for it. At a minimum the study should examine:

- Price points,
- Participation rates at those price points,
- Whether to make the program opt-in or opt-out,
- The effect on revenues from repeat daily visitors,
- The effect on revenues from current annual pass holders,
- Whether to continue to offer regular annual passes and, if so, at what prices,
- How to deal with classes of people who currently receive discounts or free annual passes,
- How to continue to lure out-of-state and international visitors,
- The effect on park attendance and associated operational costs,
- The costs of implementation,
- If there will be an administrative surcharge added by the DHSMV, and
- The costs of marketing plans and promotions for the new program.

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at [http://www.mlive.com/news/muskegon/index.ssf/2011/02/michigan\\_recreation\\_passports.html](http://www.mlive.com/news/muskegon/index.ssf/2011/02/michigan_recreation_passports.html) (last visited Aug. 5, 2011).

<sup>30</sup> Ana M. Valdes, *One-third of state parks put on potential closing list after Gov. Scott calls for budget cuts*, The SunSentinel, Feb. 5, 2011, available at <http://www.sun-sentinel.com/news/palm-beach/sfl-state-parks-closing-threat-20110205.0.7864341.story> (last visited Aug. 5, 2011).

The other alternative for the Legislature is to create the annual pass check-off separate from the voluntary contribution check-offs and implement the program within the existing annual pass framework. The Legislature could set an annual pass price for either an opt-in or opt-out program based on other states' experiences and participation rates. Legislation would need to be filed to accomplish the necessary statutory changes and program parameters. If the Legislature desires, the program could automatically sunset by a date certain if not reauthorized, or the Office of Program Policy Analysis and Government Accountability could review the program after three to five years and provide recommendations.