



Legislative Fiscal Bureau

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May 15, 2013

Joint Committee on Finance

Paper #470

Armed Forces State Park and Trail Admissions (DNR -- Forestry and Parks)

[LFB 2013-15 Budget Summary: Page 344, #7]

CURRENT LAW

Vehicles entering state parks or recreational sites managed by DNR parks staff (the Richard Bong Recreation Area, designated use zones within recreational areas and southern forests, and the Wisconsin Dells natural area) are required to display an annual or daily vehicle admission receipt (admission sticker). The fees for these stickers are \$25 for a resident annual vehicle admission and \$7 for a daily admission (a resident senior vehicle admission is also available for \$10 and a resident senior daily for \$3). Currently, the fee for an annual state trail pass is \$20 for residents and non-residents.

GOVERNOR

Provide an exemption to the requirement that a vehicle display a state park vehicle admission receipt to any vehicle, except a motor bus, that is in a state park vehicle admission area on Veterans Day or during the three-day weekend that includes Memorial Day and that is occupied by a resident who produces evidence that shows that he or she is a service member. Define "service member" as a person who is serving on active duty in the U.S. armed forces. In addition, specify that no admission fee to enter Heritage Hill State Park or any state trail may be charged for entry by any person who on Veterans Day or during the three-day Memorial Day weekend produces evidence that shows that he or she is a state resident and a service member. Further, provide a one-time exemption from the \$25 fee for an annual state park vehicle admission sticker to any vehicle, except a motor bus, that has Wisconsin registration plates and that is owned by a resident who produces evidence that he or she is the owner and is a service member, and a one-time exemption from the \$20 annual state trail pass fee to any resident who produces evidence that he or she is a service member. Require DNR to establish and maintain a list of service members who have received the one-time exemption from an annual state park

vehicle admission sticker fee and a list of service members who have received the one-time exemption from an annual state trail pass fee.

DISCUSSION POINTS

1. The bill would provide an exemption from state park vehicle admission stickers to active duty members of the U.S. armed forces on Veterans Day and during the three-day Memorial Day weekend. In addition, the bill would provide a one-time exemption to the fee for an annual state parks vehicle admission sticker and a one-time exemption from the fee for an annual state trail pass to active duty members of the U.S. armed forces. Under the bill, the Department of Natural Resources (DNR) would maintain a list of service members who have received the one-time exemption from the state park vehicle admission sticker fee and a list of members who have received the one-time exemption from the state trail pass fee in order to ensure that each qualifying service member receives the exemption only once.

2. DOA indicates the provision was included to provide a benefit to active-duty service members. The administration did not provide an estimate of the expected loss of revenue to the parks account of the conservation fund, and limited data was available regarding the current total number of active duty military in Wisconsin. However, based on the number of active duty resident small game and fishing licenses sold by DNR in license year 2012, a one-time exemption from vehicle admission sticker fees and trail pass fees could result in a loss of revenue to the parks account of over \$100,000, were approximately one-fourth of those active duty members to receive a one-time exemption from the fee for both a state park vehicle admission sticker, and an annual trail pass. In addition, the Veterans' Day and three-day Memorial Day weekend exemption from daily park admission receipts could result in lost revenues to the parks account of approximately \$3,000 annually, assuming approximately 5% of those active duty members visited a state park during one of the specified days. Lost revenues to the parks account over the 2013-15 biennium could total an estimated \$210,000 (\$105,000 annually).

3. Under current law, no admission fee is required for any vehicle that transports a person with a senior citizen recreation card or a disabled veteran recreation card (\$7 annual fee). (The senior citizen recreation card has not been available since 1991; however, it continues to convey lifetime privileges to the holder as long as the holder possesses the card and remains a resident.) Prior to 2007, an admission fee exemption existed for motor vehicles transporting students from public or private schools and home-based private educational programs to an outdoor academic class. 2007 Act 20 expanded the provision to include students from a Wisconsin accredited college or university course. Providing additional exemptions to parks vehicle admission fees (and state trail passes) may have a negative cumulative effect on revenues to the parks account, increasing pressure on existing rate-paying visitors, who eventually will pay higher fees in order to cover the costs of the exemptions.

4. 1995 Act 27 eliminated the requirement that state park operations be funded equally from the parks account and the general fund. As a result, funding for parks operations has shifted toward a heavier reliance on parks account SEG. Base funding for 2012-13 of the state park budget for operations 29% (approximately the same level as in 2010-11) was GPR-supported (71% parks SEG-supported). Under the bill, parks operations would be approximately 28% GPR-supported and

approximately 72% parks SEG-supported during the 2013-15 biennium.

5. Primarily due to a significant level of vacancies, the parks account had a July 1, 2012, balance of approximately \$3.8 million. Even with an effort to fill existing vacancies (improving from a vacancy rate of over 24% currently to 12% by the second-half of 2014), the account is expected to have an available balance of almost \$4.3 million on June 30, 2014-15. However, the account does have a structural imbalance as 2014-15 authorized expenditures (\$16.3 million) exceed revenues (\$15.6 million) by approximately \$700,000.

Estimated Parks Account Condition Under AB 40

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
Opening Balance	\$3,817,000	\$4,816,100	\$5,276,000
Revenue	<u>15,530,000</u>	<u>15,570,000</u>	<u>15,570,000</u>
Total Available	\$19,347,000	\$20,386,100	\$20,846,000
Authorized Expenditures	\$15,830,900	\$16,110,100	\$16,324,900
Vacancy Reductions	<u>-1,300,000</u>	<u>-1,000,000</u>	<u>-625,000</u>
Total Estimated Expenditures	\$14,530,900	\$15,110,100	\$15,699,900
Cash Balance	\$4,816,100	\$5,276,000	\$5,146,100
Encumbrances/Continuing Balances*	<u>885,200</u>	<u>885,200</u>	<u>885,200</u>
Available Balance	\$3,930,900	\$4,390,800	\$4,260,900

*Includes amounts encumbered (committed, but not yet paid) as well as continuing balances from certain appropriations (such as rental property maintenance and for camping reservation system payments) that are not available for general appropriation.

ALTERNATIVES

1. Adopt the Governor's recommendation to provide an exemption from state park vehicle admission stickers to active duty members of the U.S. armed forces on Veterans Day and during the three-day Memorial Day weekend. In addition, provide a one-time exemption to the fee for an annual state parks vehicle admission sticker and a one-time exemption from the fee for an annual state trail pass to active duty members of the U.S. armed forces. Further, require DNR to maintain a list of service members who have received each exemption.

2. Delete provision.

ALT 2	Change to Bill
	Revenue
SEG	\$210,000

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