



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #444

Free Fourth-Grade Admission to State Parks (Natural Resources -- Forestry and Parks)

[LFB 2021-23 Budget Summary: Page 427, #8]

CURRENT LAW

The Department of Natural Resources (DNR) Secretary is authorized to set state park admission and camping fees within statutorily defined limits. Parks daily admissions fees are a minimum of \$8 for residents and \$11 for non-residents. The DNR Secretary may raise daily admissions fees by as much as \$5. Annual admissions stickers cost \$28 for residents and \$38 for non-residents. Nightly camping fees must be no less than \$15 for residents and \$19 for non-residents and up to \$30 for residents and \$35 for non-residents. An admission fee exemption is available for motor vehicles transporting students from public or private schools and home-based private educational programs to an outdoor academic class, including those from a Wisconsin accredited college or university course.

DISCUSSION POINTS

1. In 2015, the National Park Service (NPS) created the Every Kid in a Park program, which provided fourth-grade students a free one-year voucher for admission to all national parks. In 2019, Congress expanded the program and renamed it the Every Kid Outdoors program. In addition to the approximately 420 national parks, monuments and other properties, fourth-grade students can use their voucher for admission to over 2,000 federal recreation areas. The program is intended to ensure that all children can visit federal lands and to encourage lifetime interest in outdoor hobbies. An estimated 200,000 students obtain an Every Kid Outdoors voucher each year.

2. Fourth-grade students may request a voucher online at everykidoutdoors.gov. The website produces a paper pass that can be used for admission at federal recreation sites. Students can swap their paper pass for a plastic version at certain NPS properties. The pass is valid for one year,

from September 1 to August 31 in the following year. Additionally, the Department of Interior produces activity guides for educators to teach about public lands, conservation, and environmental stewardship. In addition to providing resources for educators, the Every Kid Outdoors program provides vouchers for teachers to distribute to the fourth-grade pupils.

3. Assembly Bill 68/Senate Bill 111 would create a Wisconsin companion to the Every Kid Outdoors program. The bill would authorize DNR to provide a free annual admission sticker to Wisconsin fourth-grade students. Under the bill, a parent or guardian of a fourth-grade student in a Wisconsin public, private, or home school could apply to DNR's central office in Madison for a waiver of the annual resident parks vehicle admission fee for a single vehicle, except a motor bus.

4. The bill would require that an application include: (a) the child's name and date of birth; (b) the name of the school the child is or will be attending, or a certification that the child is in a home-based private education program; (c) a certification that the child is, was, or will be a fourth-grade pupil on the January 1 of the calendar year for which the fee waiver is issued. Evidence of fourth-grade enrollment could include report cards, verified enrollment forms, a dated letter from the school on official letterhead, or other proof DNR may accept. The bill would authorize one fourth-grade fee waiver per household, regardless of how many children are in the family.

Parks Admission Fee Waiver

5. Since the parks sticker waivers would reduce parks SEG revenue, the bill would create a sum-sufficient GPR appropriation equal to the value of the waivers issued in a given fiscal year to be used for parks operations. DNR estimates that approximately 3% of all Wisconsin households have a fourth-grade child. DNR assumes that 3% of the 286,970 purchasers of annual admissions stickers in 2020 had a fourth-grade child and would take advantage of the program, for a total of 8,700 waivers at a cost of \$243,600. In 2019-20, the parks account received \$23.2 million in revenue. The lost revenue from the waivers would account for 1% of parks revenues.

6. 2019 AB 252/SB 212 would have created a similar program, with the lost parks account revenue from fourth-grade admissions fee waivers reimbursed by a sum-sufficient GPR appropriation. The bills failed to pass subsequent to Senate Joint Resolution 1. The Committee could consider creating a fourth-grade parks admission fee waiver and creating a sum-sufficient GPR appropriation to replace lost revenue [Alternative A1].

7. Under the bill, the GPR appropriation would be equal to the value of the vehicle admission fees waived under the provision. However, the price of \$28 price of annual parks admission stickers includes a 50¢ issuing fee. DNR contends that the bill could be clarified to specify whether the GPR transfer includes the issuing fee or just the \$27.50 base price for the parks admission sticker. In addition to creating the parks fee waiver, the Committee could consider specifying that the sum-sufficient appropriation include both the value of the annual admissions fees and the issuing fees [Alternative A2].

8. There may be administrative concerns about funding certain parks operations from a sum-sufficient appropriation. Typically, sum-sufficient appropriations are used for formula-based aids rather than for operations. Under the bill, admission fee waivers would be valid from January 1

to December 31. DNR notes that parks stickers are most commonly purchased between April and June. If families apply for waivers during these months, DNR may be unable to encumber funds from the appropriation.

9. Additionally, the bill would delete expenditure authority by a total of \$243,600 SEG annually, including \$175,400 from the parks account for parks operations and \$68,200 annually from the forestry account for southern forest operations. If the actual value of parks admission sticker fees waived under the provision is less than the amount estimated by the bill, the value of GPR provided for parks operations would not replace the reduced expenditure authority from the conservation fund. Without a way to reestimate parks SEG-funded operations, this would effectuate a cut to the parks budget.

10. Given this, the Committee could consider creating a sum-sufficient GPR transfer to the parks account of the conservation fund equal to the number of waivers issued in the following year multiplied by \$28 [Alternative A3]. The GPR deposited into the SEG conservation fund would replace the lost SEG revenue from parks admission fee waivers and would not require the Committee to delete authorized parks and southern forest expenditures. This would have the effect of providing DNR with flexibility on when it expends funds. Additionally, since the waivers would not be issued until January 1, 2022 in fiscal year 2021-22, this alternative would reduce the fiscal effect in the 2021-23 biennium since the transfer would only occur in 2022-23. Furthermore, specifying the formula for the transfer would clarify the lost revenues for which DNR would be reimbursed.

11. The Committee could take no action [Alternative A4]. Under the current law, DNR may waive parks admission fees for students participating in educational courses. It could be argued that this is an appropriate and low-cost way of furnishing access to outdoor education and recreation for Wisconsin students.

Application Procedures

12. Under AB 68/SB 111 families could apply for the parks admissions waivers by submitting an application that: (a) lists the name of the fourth-grade child; (b) lists the child's date of birth; (c) lists the school attended by the child or provides certification that the child was enrolled in a home-based educational program, and (d) provides certification that the child was enrolled in fourth-grade in the year for which the family applied for the waiver, to DNR's central office in Madison. DNR notes that applications would need to be submitted to the central office to ensure that school certifications are handled uniformly.

13. Compared to the proposal in AB 68/SB 111, the federal parks fee waiver program is less onerous. Children and parents can receive a waiver after submitting a short internet-based form. The form asks students to provide their ZIP code and whether they are in fourth-grade. Additionally, teachers can fill out a short internet-based form that allows them to print out up to 300 fourth-grade waivers at a time that may be distributed to students. Both forms rely on the attestation of the applicant. However, the Department of Interior notes that the waiver may only be used to enter national parks and other federal recreational lands if the fourth-grade child is present.

14. DNR indicates that families that submit the fourth-grade admission fee waiver will

receive the same annual parks admission sticker as paying customers, unlike the federal program, which provides a special certificate that fourth-grade students may use to enter national parks. Since DNR would provide a parks admission sticker, there will be no way for parks employees to discern the difference between a parks pass that was purchased at face value and one that was issued to a family using a fourth-grade admission fee waiver.

15. To ensure that fourth-grade parks admission fee waivers are provided only to fourth-grade students, the bill requires that families provide certification of fourth-grade enrollment or of equivalent home-school attendance. The bill lists dated and signed enrollment forms, dated report cards, a dated and signed letter from the school on official letterhead as possible certifications.

16. The bill gives DNR discretion with regard to what certifications may satisfy the proof of enrollment requirement. However, the Department indicates that "certifications" may limit what forms of evidence are acceptable to official documentation. Private schools and home-school programs may not have formal certifications that could be provided by families applying for these waivers. To ensure that DNR is able to provide waivers to all eligible families, the Committee could consider allowing DNR to accept "evidence" of fourth-grade enrollment, rather than "certification," under the bill [Alternative B1].

17. Additionally, the bill is silent on acceptable certifications of enrollment in home-school programs. If the bill does not formally define what certifications are acceptable, DNR may be unable to determine what evidence will be sufficient to meet the requirement. Under s. 115.30(3), a parent, guardian, or the administrator of a home-school program must submit a form documenting the number of students, by grade level, who attend the home-school program. The Department of Public Instruction (DPI) currently requires the parents of home-schooled children to submit form DP-1206, which lists the parent's name and the number of students in each grade level. While the form does not list the name or date of birth of home-schooled children, it does list the name of the parent. The Committee could consider defining proof of home-school enrollment as copy of any form submitted to DPI under s. 115.30(3) of the statutes [Alternative B2].

18. Alternatively, the Committee could take no action with regard to evidence of fourth-grade enrollment [Alternative B3]. The bill gives DNR discretion to adjudicate proof of enrollment for fee waiver applicants. The Department would be able to develop a list of acceptable materials or to judge applications on a case-by-case basis.

Waiver Eligibility

19. Under AB 68/SB 111, families could receive the fourth-grade parks admission fee waiver once per household, regardless of the number of children in the household. The federal Every Kid Outdoors waiver is available to any fourth-grade student, regardless of whether their siblings or other members of their household have received a waiver. If the purpose of the program is to encourage children and families to get outdoors and explore Wisconsin's natural resources, it could be argued that limiting the waiver to be used only one per household contradicts this. To ensure that the program serves all fourth-grade students, the Committee could consider allowing families to receive the waiver once per fourth-grade child per year, rather than per lifetime [Alternative C1a].

20. Allowing families to use the waiver once each year that they have a child enrolled in fourth grade would likely increase the fiscal effect of the bill in future years. However, given the uncertain demand for the program, it is not possible to estimate the relative cost increase in future years. It is likely the fiscal effect in the 2021-23 biennium would be negligible.

21. However, to reduce the program's cost in future years, the Committee could consider limiting families to receiving one waiver per household per lifetime [Alternative C1b]. DNR notes that the Department has experience administering one-time waivers. Under s. 27.01(9)(bn) of the statutes, active duty service members who are Wisconsin residents may receive a one free annual parks admissions sticker in his or her lifetime. DNR is required to make a list of all service members who have received the exemption.

22. DNR indicates that administration of the one-time fee waiver would be easier to administer if the Department were authorized to collect driver's license numbers for all parents and guardians in a household. With this information, the Department could maintain a database of individuals who have received the waiver. The database would allow DNR to ensure that a family only receives one waiver per lifetime, regardless of whether the family's status changes. To allow DNR to ensure that no household receives more than one waiver per lifetime, the Committee could require that applicants provide driver's license numbers for all household members [Alternative C2a].

23. While the Department has experience providing one-time waivers to individuals, DNR does not have experience providing one-time waivers to households. The bill would require DNR to define what constitutes a household in order to ensure that the waiver is only given once to a household. To ensure the Department complies with the intent of the Legislature, the Committee could consider defining "household" for the purpose of the fourth-grade parks admission waiver.

24. The statutes and federal law provide different definitions of a household depending on statutory purposes. For instance, for the provision of low-income energy assistance, s. 16.27(1)(c) of the statutes defines a household as individuals or a group of individuals who live together as one economic unit. State tax provisions of the statutes typically define a household as an individual and his or her spouse any dependents. 7 USC 2012 (supplemental nutrition assistance) defines a household as a group of individuals residing together who purchase food as a unit. For the purpose of the fourth-grade parks admission fee waiver, The Committee could consider defining a household as individuals who reside together, regardless of marital status [Alternative C2b].

ALTERNATIVES

A. Parks Admission Fee Waiver

1. Create a fourth-grade parks admission fee waiver that would provide a free annual parks admission sticker to a parent or guardian of a Wisconsin fourth-grade student. Create a sum-sufficient GPR appropriation to replace revenue from vehicle admission fees. Estimate the GPR appropriation at \$243,600 annually. Delete \$243,600 SEG annually, including \$175,400 annually for parks operations from the parks account of the conservation fund and \$68,200 annually from the forestry account for forestry operations.

ALT A1	Change to Base	
	Revenue	Funding
GPR	\$0	\$487,200
SEG	<u>-487,200</u>	<u>-487,200</u>
Total	-\$487,200	\$0

2. In addition to Alternative A1, specify that the sum-sufficient GPR appropriation include both the value of admissions sticker fees waived under the provision as well as the issuing fees for those stickers.

3. Create a fourth-grade parks admission fee waiver that would provide a free annual parks admission sticker to a parent or guardian of a Wisconsin fourth-grade student. Create a sum-sufficient GPR transfer to the conservation fund equal to the number of waivers issued multiplied by \$28 to replace lost revenues from the admissions fee waivers. Estimate the transfer at \$243,600 GPR annually. (The first transfer would occur in 2022-23.)

ALT A3	Change to Base	
	Revenue	Funding
GPR	\$0	\$243,600
SEG	<u>0</u>	<u>0</u>
Total	\$0	\$243,600

4. Take no action.

B. Application Procedures

1. Authorize DNR to accept any evidence of fourth-grade enrollment deemed by the Department to be sufficient proof of enrollment. (The Committee may select this in addition to any of the Alternatives A1, A2 or A3.)

2. Define proof of home-school enrollment as copy of any form submitted to DPI under s. 115.30(3) of the statutes. (The Committee may select this in addition to any of the Alternatives A1, A2 or A3.)

3. Take no action.

C. Waiver Eligibility

1. In addition to one of the Alternative A1, A2 or A3, specify families may receive the waiver as one of the following:

- a. once per fourth-grade child per year, rather than per lifetime.
- b. once per household per lifetime.

2. In addition to C1, specify one or both of the following:
 - a. Require that applicants provide driver's license numbers for all household members when applying for the admission fee waiver.
 - b. Define a household as individuals who reside together, regardless of marital status.
 - c. Take no action.

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