

**Michigan State Parks System  
Addressing Capital Outlay and Maintenance Needs  
Fiscal Year 2016 and Beyond**

The Michigan State Parks System serves as a significant asset to the state's \$22.8 billion tourism industry that supports 214,000 jobs. In fact, six of Michigan's top 10 tourist destinations are state parks. Since its inception 98 years ago, the Michigan State Parks System has grown to include 102 state parks, 138 state forest campgrounds, and 12,500 miles of dedicated public trails. Nearly 25 million annual visitors enjoy the abundant natural and cultural resources celebrated throughout the Michigan State Parks System. State park visitors also reserve 1 million overnight camp nights annually, which ranks second nationally to California. Unfortunately, much of the existing infrastructure that was developed in previous decades to support these visitors is in need of significant repair or replacement.

The Michigan State Parks System is in need of substantial reinvestment to continue to respond to customers' needs and also reflect current recreational trends appropriate to a state system. Maintenance and improvement were identified as priority needs by the Governor's Blue Ribbon Panel on State Parks and Outdoor Recreation, which undertook a comprehensive review of the state park system in Michigan. The Department of Natural Resources (DNR) agrees with this assessment. Individual parks and/or recreation areas can host between a few thousand to over 30,000 visitors daily, and are comparable to a city with roads, water treatment facilities, water lines, playgrounds, electrical systems, etc.

The DNR has developed an infrastructure reinvestment strategy that is adjusted each year in an effort to align funding with the most critical needs. This strategy includes the identification of priority renovation and upgrade projects to meet future capital needs and respond to evolving customer expectations. The estimated cost for these projects is approximately \$300 million. The amount of annual funding available to support basic infrastructure needs continues to be insufficient to adequately address the backlog of maintenance, repair, and improvement projects.

Changing priorities at the state level have reduced General Fund contribution to the State Park system, diminishing resources available for infrastructure needs. Revenues from oil and gas leasing on state-managed public lands, which support the State Parks Endowment Fund, are subject to unpredictable commodity pricing and have not met expectations in recent years. Campground reservations, another primary source of state park revenue, have been strong but fluctuate annually due to a number of factors, including weather. As a result, the department has had to use a greater percentage of its funding for operational needs rather than maintenance or improvement of facilities.

The state's current parks and outdoor recreation funding system doesn't adequately capture revenue from all beneficiaries—either recreationists who don't currently pay “directly” into the system via licenses, permits, or user fees, or the general public which receives social, health, economic, and ecological benefits from the existence of these

spaces. The Recreation Passport Program has provided a good start to creating a more stable source of funding, reducing the cost of state park attendance for the Michigan public, expanding people's access to outdoor recreation, and reducing administrative costs at individual facilities. But current funding is still not durable enough and does not adequately address future needs.

The Recreation Passport was enacted as a voluntary "Opt-in" program. After careful consideration of public needs and expectations for state parks, the governor's Blue Ribbon Panel recommended that the Recreation Passport should be an "Opt-out" program. The DNR agrees that this change would help to address the backlog and ongoing priority maintenance and improvement needs for outdoor recreation facilities, as originally intended for the Recreation Passport program.