



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

**DATE:** October 18, 2017

**TO:** Keith Creagh  
Director, Department of Natural Resources

**FROM:** Nick Khouri   
State Treasurer

**SUBJECT:** Recreation Passport Fee Inflation Adjustments:  
Passport Fee Revenue Distribution Levels

MCL 324.2045 stipulates that the Department of Natural Resources shall distribute recreation passport fee revenue as follows:

- (a) First, for necessary expenses incurred by the secretary of state each state fiscal year in administration and implementation of section 805 of the Michigan vehicle code, 1949 PA 300, MCL 257.805. Funds appropriated for necessary expenses shall be based upon an established cost allocation methodology that reflects actual costs. Appropriations under this subdivision in a state fiscal year shall not exceed \$1,000,000.00.
- (b) The next \$10,700,000.00 received each fiscal year shall be deposited in the state park improvement account.
- (c) The next \$1,030,000.00 received each fiscal year shall be deposited in the waterways account.

For fiscal years beginning with FY 2012, the statute specifies that the state treasurer shall adjust the amounts specified for the state park improvement account and the waterways account “to reflect the cumulative percentage change in the consumer price index [Detroit-Ann Arbor-Flint MI – all items – all urban consumers consumer price index] for the most recent 1-year period for which data are available.”

The most recent 1-year period for which data are available is for fiscal year 2017 and the percent change for FY 2017 compared with FY 2016 is +2.0 percent (0.02). Based on this percentage change in the Detroit CPI, the following table presents the adjusted maximum passport fee distribution to the state park improvement account and to the waterways account for FY 2018, along with the existing levels for FY 2011, FY 2012, FY 2013, FY 2014, FY 2015, FY 2016 and FY 2017:

**Passport Fee Revenue Distribution Levels  
FY 2011 – FY 2018**

<b>Fiscal Year for Fee</b>	<b>Prior Year Detroit CPI FY Percent Change</b>	<b>Maximum State Park Improvement Deposit</b>	<b>Maximum Waterways Deposit</b>
2011		\$10,700,000.00	\$1,030,000.00
2012	2.5%	\$10,967,500.00	\$1,055,750.00
2013	2.5%	\$11,241,687.50	\$1,082,143.75
2014	1.9%	\$11,455,279.56	\$1,102,704.48
2015	1.1%	\$11,581,287.64	\$1,114,834.23
2016	-1.0%	\$11,465,474.76	\$1,103,685.89
2017	1.0%	\$11,580,129.51	\$1,114,722.75
2018	2.0%	\$11,811,732.10	\$1,137,017.21

Please call Eric Bussis (373-2148) or me (241-2624) if you have any questions.

cc: Ruth Johnson, Secretary of State  
 Dr. William E. Moritz, Natural Resources Deputy  
 Mark Hoffman, Chief Administrative Officer, DNR  
 Ron Olson, Chief of Parks and Recreation, DNR  
 Sharon Schafer, Chief, Finance and Operations, DNR  
 Jacklin Blodgett, Program Services Chief, DNR  
 Erik Eklund, Chief Budget Officer, DNR  
 Jason Crandall, Revenue/Budget Specialist, DNR  
 Chay Linseman, Department of Treasury