STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

October 8, 2019

The Honorable Jack O'Malley
Chair
Michigan House Transportation Committee
House Office Building
Lansing, MI 48909

Dear Chairman O'Malley and Members of the House Transportation Committee:

My name is Jenita Moore and I am the Legislative Liaison for the Secretary of State. I appreciate the opportunity to share our views on HB 4475-76 & HB 4486- the Recreation Passport "Opt-Out" legislative package. Although the Michigan Department of State (MDOS) supports the goal of increasing Recreation Passport enrollment, the legislation in its current form creates significant administrative concerns for MDOS.

The Recreation Passport, which has currently been in effect for the last ten years, replaced the former state parks sticker required to enter state parks, recreation areas, state boat launches, state forest campgrounds and state trial parking lots.

Currently, customers renewing their license plates have the option of paying $11 (vehicles) or $6 (motorcycles) to purchase a Recreation Passport. Renewal forms have a "yes" or "no" box which customers may use to either pay the extra $11 and purchase a Recreation Passport or decide not to do so. Those who purchase a Recreation Passport will have a "P" printed on their renewal tab. The tab serves as the Recreation Passport.

Over the last ten years, MDOS has expended considerable resources educating the public on and encouraging public participation in the Recreation Passport, in partnership with the Department of Natural Resources (DNR). However, even with this public education, residents mistakenly purchase a Recreation Pass by checking yes. When this happens, the purchase must be refunded, sometimes by MDOS and sometimes by DNR.

These bills as currently written change Recreation Passport enrollment to an opt-out system. Under the legislation, all customers who renew their license plates will automatically purchase the Recreation Passport for an additional charge of $11 unless they check the opt out box. While we expect this will increase Recreation Pass enrollment, these bills as currently written will have unintended consequences for our overall department operations and may cause confusion for Michigan citizens in our branch offices. Below are some areas of concern that we would like to see addressed as you move forward with this proposal.

- **Wording of Recreation Pass Question** – The language in the statute that outlines the exact verbiage of the question should be further evaluated. Requiring this specific statutory language on the form could result in customer confusion and will interfere with MDOS's goals of streamlining and reworking renewal notice forms and reducing the number of customers who need to return based on prior mistakes.

- **A refund process** – Language needs to be added defining under what circumstances an individual who has purchased a Recreation Pass may receive a refund and how that refund will be issued.

- **MDOS reimbursement for collection costs** – The reimbursement language as it exists today requires a recognized accounting when determining eligible reimbursement costs due to MDOS, with a $1M cap. In addition to concerns with the additional resources needed for this accounting, if MDOS is required to provide an accounting, it should be reimbursed actual total cost (which currently exceeds the cap). The Department should be able to be appropriately reimbursed for its expenses.

- **Programming Costs** - There may be costs associated with programming the systems (especially expressSoS.com) to ask the new question. There should be acknowledgement of this cost by either an appropriation, or a provision in our reimbursement to cover programming costs.

- **Implementation Date** - We will need time to program the changes onto the system. DNR has committed to a public information/education campaign, there must be acknowledgement that public behavior takes time to change, and there must be lead time for increased awareness.

I appreciate the opportunity to express some of the concerns that MDOS has. The Department looks forward to working with the bill sponsors and DNR as this package continues to move through the legislative process.

Sincerely,

Jenita M. Moore

Jenita Moore
Legislative Liaison
Michigan Department of State