

Hunting and Fishing License Package Development Work Group



Final Report

November 9, 2006



Great Lakes, Great Times, Great Outdoors

www.michigan.gov/dnr

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HUNTING AND FISHING LICENSE PACKAGE DEVELOPMENT WORK GROUP FINAL REPORT

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Perspective

Hunting, fishing and trapping are an integral part of Michigan's cultural landscape. These activities are cornerstones to Michigan's quality of life. Opening days of key hunting seasons are important holidays for many across the state. The last Saturday in April (trout), Memorial Day weekend (bass), October 1 (archery deer) and November 15 (firearm deer) are dates that literally millions of outdoors people and the businesses on which they depend have bolded on their calendars. Hunting, fishing and trapping are traditions passed down across generations that link family members together and foster a stewardship ethic regarding natural resources. With the Great Lakes, inland lakes, rivers and streams and over 7.5 million acres of public land open to hunting and trapping, every Michiganian and visitor to our state has the opportunity to enjoy this outdoor heritage.

Recreation related to fish and wildlife conservation is vital to Michigan's economy. In a 2001 U.S. Fish and Wildlife Service study, it was estimated that hunting, fishing and wildlife viewing annually generated almost **\$2.7 billion of spending** in Michigan. Of this spending, 36% was on food, lodging and other trip costs for fishing, hunting and wildlife viewing; 57% was on equipment that was solely or partially used for these activities and the remaining 7% was for licenses, magazines, membership dues and other miscellaneous expenses. There is no question that the Great Lakes state is a huge attraction for tourism.

The Michigan Department of Natural Resources is directly responsible for managing 4.5 million acres—12%—of Michigan's land mass. On a larger scope, the DNR also has a conservation mandate regarding fish and wildlife resources across the state's 37 million acres, more than 11,000 inland lakes, 36,000 miles of rivers and streams and portions of Lakes Superior, Huron, Michigan and Erie and connecting waters.

Unlike many other state agencies, the DNR receives little General Fund money, and must rely on user fees and federal pass-through monies (such as Pittman-Robertson federal excise taxes on sporting arms and ammunition)

and other restricted funds to pay for over 91% of the DNR's programs and services.

The Challenge

“Looking ahead at current license costs we see steady to decreasing revenue in the state's Game and Fish Protection Fund and increasing costs due to inflation,” said Frank Wheatlake, Natural Resources Commissioner. “This shortfall will result in program reductions and will jeopardize our ability to protect, manage and conserve the natural resources of our state.”

- Cuts in conservation programs not only threaten our fish, wildlife and public land resources, they also threaten Michigan's economy.
- State General Fund support for DNR programs and activities has declined. In 1996-97, the legislature appropriated 23.3% of the DNR's operations budget from the General Fund. For fiscal year (FY) 2006-07, the General Fund portion of DNR's operating budget has declined to 8.7%.
- In 1996-97 user pay funds to the DNR made up 67% of the DNR operations budget and the final 10% came from federal pass-through funds such as the federal Pittman-Robertson tax on sporting arms and ammunition. In 2006-07, user pay funds make up 76% of the DNR operations budget and federal pass-through the remaining 15%. If the level of General Fund provided in FY 1995-96 (\$51.2 million) was adjusted for inflation in FY 2006-07 dollars, it would be \$65.9 million, not the \$25.3 million actually appropriated in FY 2006-07.
- The Game and Fish Protection Fund alone provides 25% of the DNR annual operating budget.
- Inflation is steadily increasing costs for items such

as gasoline, vehicles, utilities, health insurance and trash disposal. Annually, it results in a 4% increase in costs with no changes in management. To continue programs at the previous year's level means a budget 4% higher than last year. To restore lost services and resources requires even more.

- If nothing changes, current estimates project that in FY 2007-08, the Game and Fish Protection Fund will have a deficit of \$9 million-\$11 million. By fiscal year 2009-10, this deficit balloons to \$45.9 million.
- The number of distinct licensed anglers and hunters has declined over the past 20 years. For distinct anglers, in 1986 there were 1,483,910. This number has dropped 21.7% from 1986-2005 and for the past decade the decline has been 13.8% to 1,161,432 distinct anglers in 2005 (latest reporting year available). In 1986 there were 925,332 distinct licensed hunters. This number has dropped 14.3% from 1986-2005 and 18.3% for the past decade to 789,244 distinct licensed hunters in 2005. These numbers are important not only to pass on the heritage of conservation and respect for natural resources through hunting and fishing, but also because it influences federal pass-through dollars from the Pittman-Robertson and Dingell-Johnson funds. In 2005 for each certified hunter, DNR wildlife conservation programs received \$9.80 from Pittman-Robertson and for each certified angler the DNR fisheries conservation efforts received \$8.18 from Dingell-Johnson.
- The last time hunting and fishing license fees were increased was in 1996. That package was estimated to sustain fisheries and wildlife programs for about six years (to 2002). That package included two, \$1 increases, which have been implemented. There is no additional authority for the director or the Natural Resources Commission to further increase license fees. That fish and wildlife conservation programs have remained viable to 2006, is due to the DNR and others innovating efficiencies into conservation programs. Unfortunately, in the past two years, the DNR has gone beyond efficiency to reductions in vital programs.

Program reductions due to lack of funding that have been instituted over the past two years include:

- **Fisheries**

- 30-50% reduction in fish surveys of lakes and streams
- Reduced hatchery production/planting of coho salmon
- Suspension of \$200K Inland Fisheries Grant program
- Delayed major habitat restoration/enhancement program on Upper AuSable River
- Reduced research projects on ecosystem processes, habitat, etc.
- Reduced maintenance of facilities and equipment

- **Wildlife**

- Reduction of 66 seasonal or temporary workers resulted in:
 - Reduced bovine TB and CWD monitoring
 - Reduced wildlife population surveys
 - Reduction in food plots for deer/elk range
 - Reduction in dam/dike maintenance on waterfowl floodings
 - Reduction in food plots and grassland habitat restoration in southern Michigan state game and wildlife areas
 - Less signing and maintenance of visitor facilities on the state's 300,000 acres of state game and wildlife areas
 - Less litter/trash cleanup
 - Less boundary checking, posting "open to hunting" and "safety zone" signs

- **Law Enforcement**

- Significant reduction of field conservation officers due to attrition
- Limited ability to meet demands for additional hunter safety training

Charge of the Work Group

The Hunting and Fishing License Package Development Work Group was created in January 2006 by Natural Resources Commission Chairman Keith Charters, with NRC member Frank Wheatlake chairing the work group. Citing projected deficits in the state's Game and Fish Protection Fund that supports many DNR programs and services, he charged the work group with recommending changes in hunting and fishing license fees to sustain Michigan's conservation efforts.

“It is critical to continue our conservation efforts using the principles of sound scientific management as mandated by the 1996 voter-approved Proposal G,” said Charters.

Members of the work group were also charged to reach out to a broader group of conservation and outdoor recreation stakeholders for input and assistance in communicating the need in the legislative process.

The work group, comprised of representatives from across the conservation community, focused on keeping hunting, fishing and trapping activities affordable while providing revenue to sustain vital programs and services.

Work Group Process

The work group began meeting in January 2006, and met six times thru May, primarily reviewing several DNR division budgets, programs and activities. These meetings reviewed funding trends and needs by division.

The work group recessed during the summer months and met four times during September and October. At the September meeting the work group reviewed NRC regulation changes made during the summer and reviewed the Wildlife Division activities and funding. In October the work group focused on a draft report, which is the culmination of this study and recommendation process.

Recommendations

The work group reached consensus on the following principles for hunting, fishing and trapping license fees:

1. Restore cuts from the previous two years to maintain sound scientific management of Michigan fish and wildlife resources.
2. Accomplish only very limited, targeted additions to program to meet emerging needs.
3. Provide limited discounts to seniors (20%) and youth (50%) at levels that mirror those provided elsewhere in society to seniors and youth, respecting the economic status of many seniors and promoting family activity in the outdoors. Those discounts may not be applicable to all licenses/applications (e.g., application drawings).
4. Charge a higher fee to non-residents, acknowledging that they contribute less per capita to conserva-

tion than Michigan residents through other revenue sources, but also recognizing the value of the tourism industry to Michigan.

5. Lower the age at which people need a fishing license to 16.
6. Provide DNR authority to discount all licenses.
7. Support inclusion of a youth's (under 16) fishing catch as part of an adult's fishing bag limit unless the youth has purchased a voluntary fishing license.
8. Commit to work with other conservation interests to craft a long-term, stable funding approach for conservation in Michigan.

Specific license fee proposals are found in Table 1. At the proposed levels, the recommended license package will provide appropriate Game and Fish Protection Fund dollars through fiscal year 2010-11 if the resistance rate is 5% or less. Inflation is estimated to be 4% per year based on recent history. If nothing changes and a long-term solution is not found by 2010, it is recommended that the NRC may make an inflationary adjustment.

Benefits of Implementing Recommendations

The fee package in Table 1 will restore the programmatic efforts to 2004 levels. In addition, it will provide several small but strategic improvements beyond restoration to meet clearly identified conservation needs. These include:

Fisheries

- Environmental permit reviews concerning water withdrawals from Great Lakes, ground and surface waters to protect fisheries per the new Water Legacy Act
- Involvement in permit reviews to limit non-point source pollution and unwise dredging and filling to protect fisheries

Wildlife

- Greater focus on linkage of private and public wildlife habitat and impacts on wildlife populations
- Additional customer service at state game and wildlife areas and field offices

Law Enforcement

- Two detective positions to investigate complaints of large scale exploitation of fish, wildlife and other living resources
- Expansion of Law Enforcement Division's ability to meet the increasing demands for hunter safety education resulting from expansion of hunting opportunities for both youngsters and adults from recent legislation to lower the hunting age and provide the apprentice license option

Land and Facilities

- Enhanced customer service and increased access for the public at key DNR offices
- Upgraded Retail Sales System for licenses/permits

Communications

- Enhanced hunter/angler recruitment and retention through education and outreach programs

The Future of Conservation in Michigan

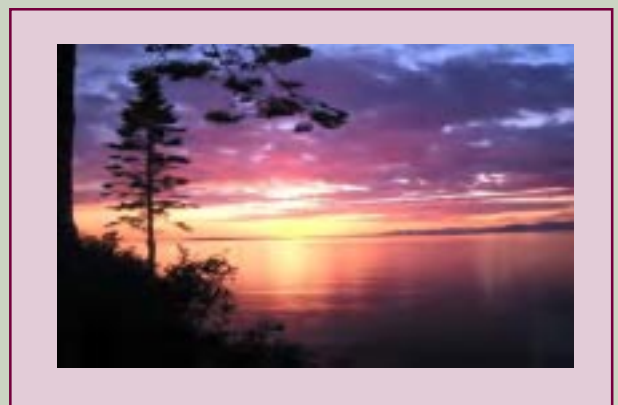
Looking beyond this short-term approach to meeting Michigan's minimum conservation needs regarding fish, wildlife and conservation law enforcement through the Game and Fish Protection Fund, the state faces a significant challenge as the direct steward of 4.5 million acres of state-owned land (12% of Michigan) as well as responsibilities for many conservation and land management efforts across Michigan's 37 million acres.

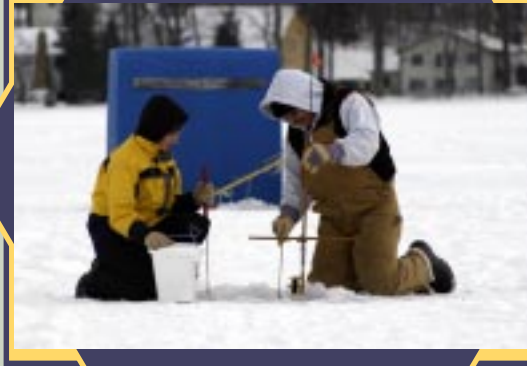
The contribution of the general public and visitors to Michigan for conservation is steeply declining as general fund support for conservation is reduced. The burden of funding natural resources stewardship is falling increasingly on certain groups of outdoor recreationists. These include hunters, anglers, trappers, state park campers, state forest campground campers, motorized watercraft users, snowmobile riders, off-road vehicle riders and state park visitors. These are not mutually exclusive categories, for example many who hunt also visit state parks, camp in state forest campgrounds and fish. Key user groups that are conspicuously absent are non-motorized trail users, those who pick edible plants (berries, mushrooms, etc.), wildlife viewers and non-motorized watercraft users. While there are challenges with implementing fee programs with some currently non-paying recreational users, DNR programs to benefit these users continue to demand attention and resources.

The funding burden also falls on industrial users of natural resources such as forest product companies that provide timber harvest revenues that fund a wide range of forest management activities including forest roads and fire protection. Energy companies provide oil and gas leases and royalties supporting the Michigan Natural Resources Trust Fund and Michigan state parks. Hunters, anglers, motorized trail and watercraft users also provide additional federal pass-through money with excise taxes on sporting arms and ammunition, fishing equipment, archery equipment and federal gasoline sales taxes.

To get beyond the almost total reliance on user fees from a sub-set of outdoor recreationists and beneficiaries of conservation programs, the ultimate need is for a long-term major conservation funding source that acknowledges the benefits of stewardship, outdoor recreation and public lands to Michigan's quality of life, economy, positive image, culture, environment and the health of the people. Such a source needs to meet the following criteria:

- Generate sufficient revenue
- Rise with inflation
- Provide relatively steady source of funding
- Support by the broadest spectrum of public, including non-residents
- Long-lived
- Inexpensive to administer
- Fund conservation programs that have benefits to citizens and visitors





Appendix

- a) Pie chart – DNR Major funding sources, FY 2006-2007
- b) Pie chart – DNR Appropriation by funding source, FY 2006-2007
- c) Number of paid license holders, 1963 to date
- d) License types
- e) Bar graph – Game & Fish Protection Fund – Fund balance
- f) Table – Game Fish Enhanced Budgets
- g) Bar graph – Game and Fish Protection Fund with Enhanced Budgets
- h) Graph – Deer license fee adjusted for inflation, 1971 – 2006
- i) General Fund inflation adjusted, 1976 – 2006
- j) Description of restricted funds
- k) State game area use, spring/summer 2006 and challenges with public land use license
- l) Game & Fish Protection Fund with Enhanced Budgets and 5% Resistance

Literature Cited

Arkansas Conservation Tax (http://www.arkleg.state.ar.us/data/agency_budgets)

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Fishing license sales trends in Michigan, PowerPoint presentation, J. Breck, L. Wang, T. Newcomb and K. Smith, Michigan DNR Fisheries Division, May 11, 2005

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Staffing Michigan's Fisheries Division: A needs-based, decision-supported process, Michigan DNR Fisheries Division, Dec. 20, 2002



Table 1. Current statutory and proposed maximum hunting, fishing and trapping license costs

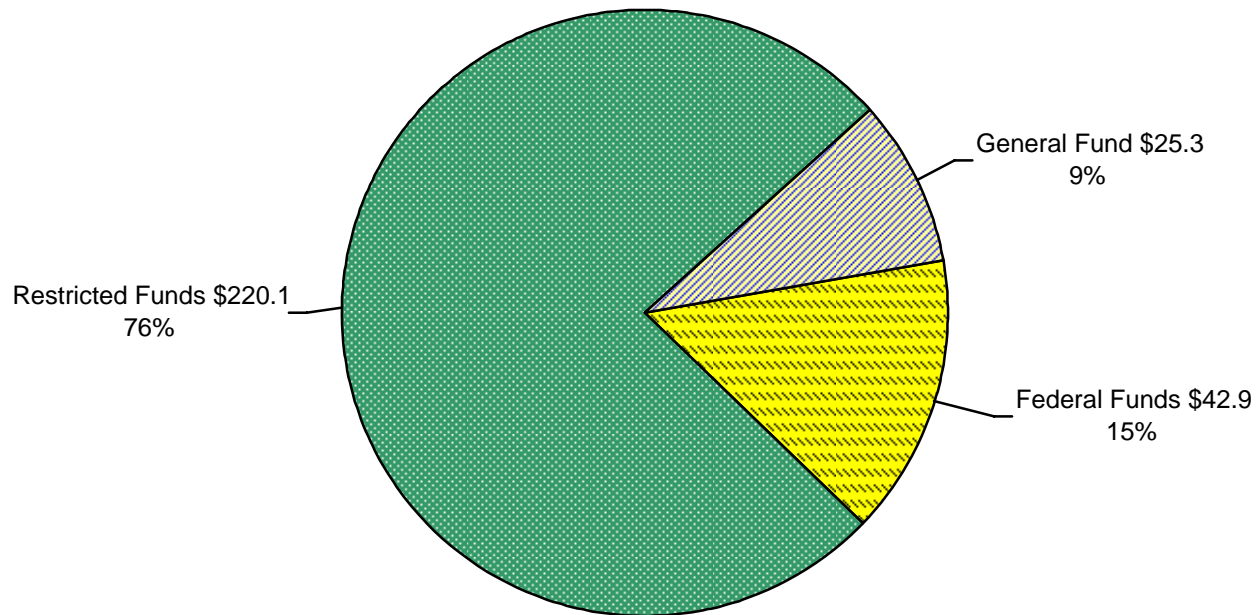
License Type	Resident		Non-Resident		Senior (65 and over)		Junior (under 17)	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Applications	\$4	\$5	\$4	\$5	Same as Resident		Same as Resident	
Antlerless Deer*	\$15 (discounted to \$10)	\$30	\$138 (discounted to \$100)	\$100	Same as Resident		\$10	\$15
Bear	\$15	\$50	\$150	\$300	\$6	\$40	Same as Resident	
Firearm Deer	\$15	\$30	\$138	\$165	\$6	\$24	Not Available	
Archery Deer	\$15	\$30	\$138	\$165	\$6	\$24	\$7.50	\$15
Combo Deer	\$30	\$75	\$276	\$330	\$12	\$48	\$15	\$30
Elk	\$100	\$200	Not Available		Same as Resident		Same as Resident	
Restricted Fish	\$15	\$20	\$34	\$40	\$6	\$16	Not Req.	Not Req.
All-Species Fish	\$28	\$40	\$42	\$80	\$11.20	\$32	\$2 Voluntary	\$2** Voluntary
All-Species Fish Upgrade	\$13	\$20	\$8	\$40	\$5.20	\$16	Not Req.	Not Req.
24 Hour Fish	\$7	\$15	\$7	\$15	\$3	\$12	Not Req.	Not Req.
3 Day All Species Fish	Not Available	\$36	Not Available	\$36	Not Available	\$28.80	Not Req.	Not Req.
Waterfowl	\$5	\$10	\$5	\$10	Same as Resident		Not Req.	Not Req.
Daily Area Use Waterfowl	\$4	\$7	\$4	\$7	Same as Resident		Same as Resident	
Annual Area Use Waterfowl	\$13	\$20	\$13	\$20	Same as Resident		Same as Resident	
Fur Harvester or Trap Only	\$15	\$20	\$150	\$200	\$6	\$16	\$7.50	\$10
Small Game	\$15	\$20	\$69	\$100	\$6	\$16	\$1	\$10
Game Bird Hunt. Preserve	\$15	\$20	\$15	\$100	Same as Resident		Same as Resident	
3 Day Small Game	Not Available		\$30	\$40	Not Available		Not Available	
Turkey	\$15	\$30	\$69	\$140	\$6	\$24	Same as Resident	

*Proposed statute would allow the price of a resident antlerless deer license to be as high as \$30. Calculations are currently based on a \$15 resident license and a \$100 non-resident license.

**A portion to be earmarked for education and outreach.

DEPARTMENT OF NATURAL RESOURCES MAJOR FUNDING SOURCES

FISCAL YEAR 2006-2007
PA 344 of 2006



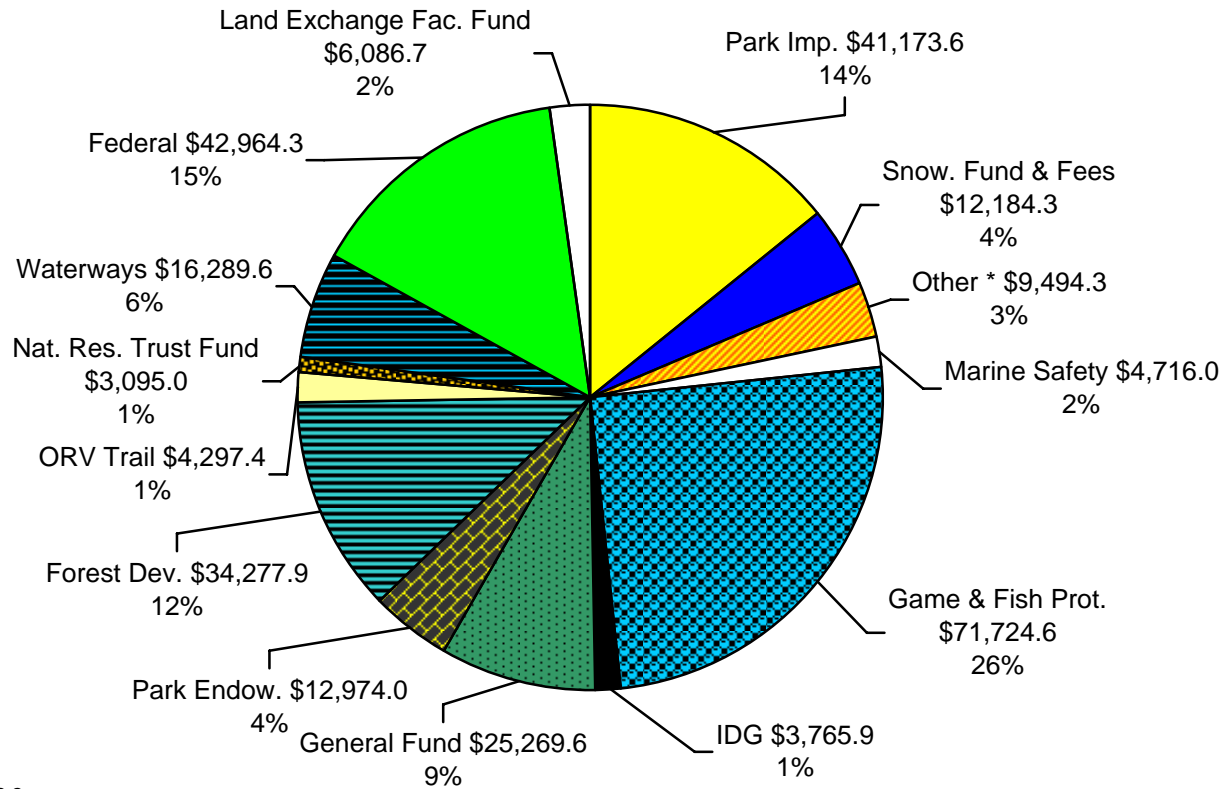
In millions

Excludes interfund transfers, Michigan Natural Resources
Trust Fund grants, and capital outlay appropriations

Total Appropriation \$288.3

DEPARTMENT OF NATURAL RESOURCES APPROPRIATION BY FUNDING SOURCE

FISCAL YEAR 2006-2007
PA 344 of 2006



*Other	
Misc.	\$2,329.2
Private & Gift	\$3,125.1
Recreation Imp.	\$1,463.2
Forest Rec.	\$1,439.5
MI Civ. Con.	\$1,137.3

Total Appropriation \$288,313.2

In Thousands
Excludes interfund transfers, Michigan
Natural Resources Trust Fund grants,
and capital outlay appropriations

**Number of Paid License Holders
1963 to Date**

<u>Hunting</u>		<u>Fishing</u>	
2005	789,244	2005	1,161,432
2004	832,835	2004	1,171,742
2003	863,946	2003	1,189,822
2002	870,432	2002	1,233,739
2001	887,235	2001	1,251,146
2000	897,916	2000	1,271,245
1999	920,473	1999	1,322,134
1998	957,264	1998	1,346,910
1997	952,584	1997	1,306,588
1996	964,531	1996	1,348,107
1995	934,430	1995	1,464,027
1994	1,126,826	1994	1,484,622
1993	1,140,700	1993	1,505,862
1992	1,171,721	1992	1,577,701
1991	1,156,422	1991	1,564,494
1990	1,148,163	1990	1,577,875
1989	938,503	1989	1,619,485
1988	913,194	1988	1,644,342
1987	926,328	1987	1,566,589
1986	925,332	1986	1,483,910
1985	900,266	1985	1,414,914
1984*	912,119	1984*	1,391,515
1983	890,519	1983	1,390,981
1982	1,150,160	1982	1,376,317
1981	1,135,265	1981	1,457,495
1980	957,209	1980	1,325,156
1979	960,594	1979	1,290,053
1978		1978	
1977	953,255	1977	1,255,073
1976**	945,735	1976**	1,254,682
1975	955,588	1975	1,192,491
1974	876,800	1974	1,120,019
1973*	753,808	1973*	1,076,986
1972*	785,752	1972*	1,151,012
1971	941,426	1971	1,108,317
1970	941,025	1970	1,081,482
1969	918,175	1969	1,077,005
1968*	903,545	1968*	973,438
1967*	912,275	1967*	928,637
1966*	926,990	1966*	908,253
1965*	893,809	1965*	887,156
1964*	842,863	1964*	897,748
1963*	860,487	1963*	

A paid license holder is one individual regardless of the number of licenses purchased.

*No official signed copy on file.

**Two sets of signed copy on file.

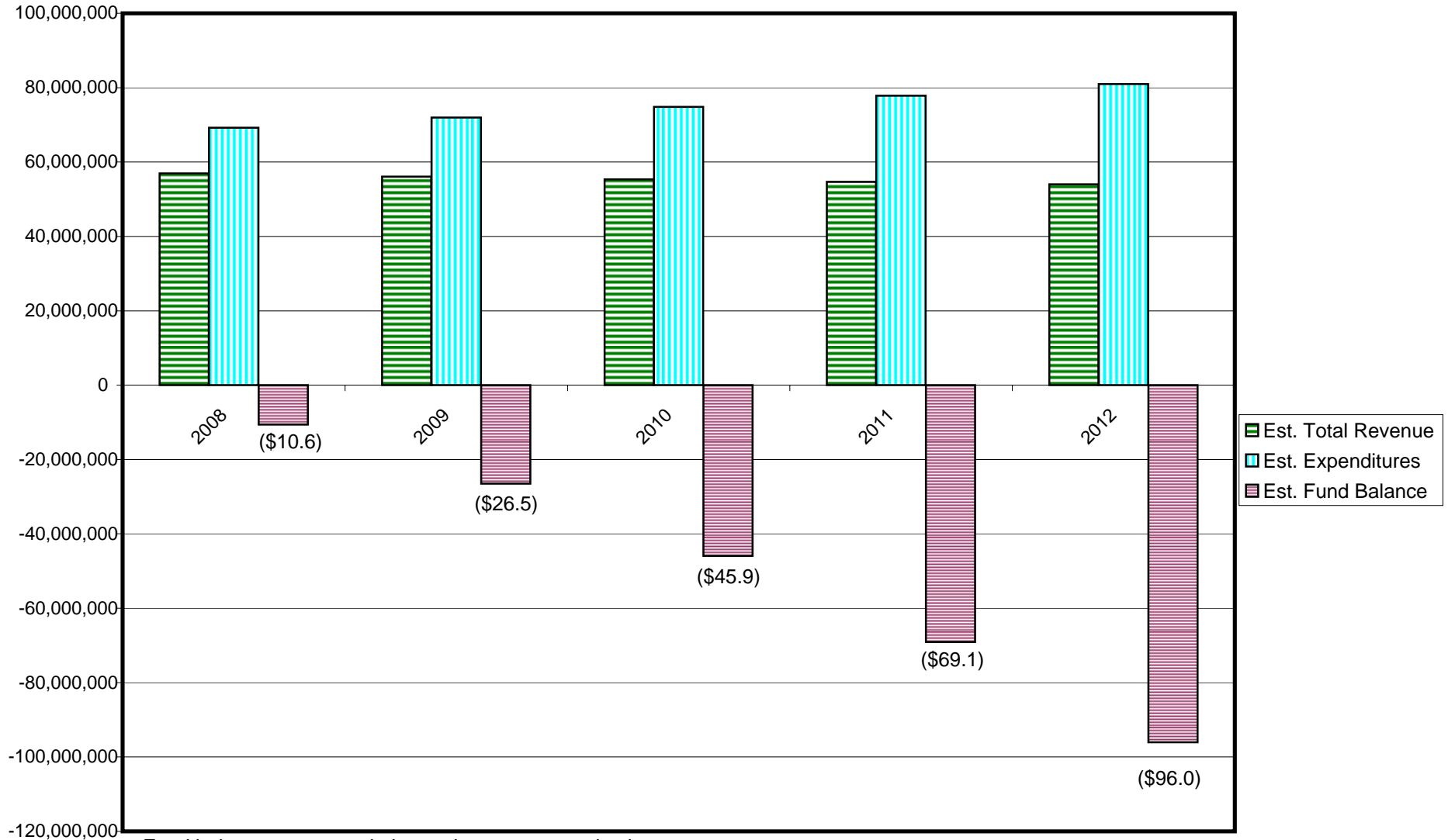
	<u>License Type</u>	<u>Price</u>
Antlerless Deer		
150	Appl Antlerless Deer	4.00
151	RES Antlerless Deer	10.00
152	NR Antlerless Deer	100.00
153	JR Antlerless Deer	10.00
154	RES OTC Antlerless Deer	10.00
155	NR OTC Antlerless Deer	100.00
157	Mgt Assist Permit Deer	10.00
158	Managed Deer Hunt Permit	10.00
251	RES Antlerless LO Deer	10.00
252	NR Antlerless LO Deer	100.00
351	RES Pub Ld 174 Antlerless	10.00
450	Appl SP Antlerless Deer	4.00
453	JR SP Antlerless Deer	10.00
454	RES SP OTC Antlerless	10.00
455	NR SP OTC Antlerless	100.00
464	RES SP OTC Antlerless	10.00
465	NR SP OTC Antlerless	100.00
505	MLT OTC Antlerless	1.00
506	MLT SP OTC Antlerless	1.00
550	RES Pub Ld 173 Antlerless	10.00
551	NR Pub Ld 173 Antlerless	100.00
644	APC JR Antlerless Deer	10.00
645	APC RES OTC Antlerless	10.00
646	APC NR OTC Antlerless	100.00
663	APC RES OTC Antlerless	10.00
664	APC NR OTC Antlerless	100.00
667	APC JR SP Antlerless Deer	10.00
668	APC RES SP OTC Antlerless	10.00
672	APC RES SP OTC Antlerless	10.00
674	APC RES PubLd173Antlerless	10.00
694	APC MLT OTC Antlerless	1.00
850	Antlerless Deer Miss/Appl	0.00
Bear		
180	Bear Application	4.00
181	RES Bear	15.00
182	SR Bear	6.00
183	NR Bear	150.00
184	Lifetime Bear	0.00
185	RES Participant Bear	15.00
186	SR Participant Bear	6.00
187	NR Participant Bear	150.00
188	Lifetime Participant Bear	0.00
189	Bear Transfer Application	0.00
280	Lifetime Bear Application	0.00
880	Bear Miss/Appl	0.00
980	Bear Appl Post Transfer	0.00

	<u>License Type</u>	<u>Price</u>
Bobcat		
	197 Bobcat Tag Unit A or B	0.00
	198 Bobcat Tag Unit A C or D	0.00
Deer		
	140 RES Firearm Deer	15.00
	141 SR Firearm Deer	6.00
	142 NR Firearm Deer	138.00
	145 RES Archery Deer	15.00
	146 SR Archery Deer	6.00
	147 JR Archery Deer	7.50
	148 NR Archery Deer	138.00
	340 RES COMBO Regular Deer	15.00
	341 SR COMBO Regular Deer	6.00
	342 JR COMBO Regular Deer	7.50
	343 NR COMBO Regular Deer	138.00
	344 MLT COMBO Regular Deer	1.00
	440 RES COMBO Restricted Deer	15.00
	441 SR COMBO Restricted Deer	6.00
	442 JR COMBO Restricted Deer	7.50
	443 NR COMBO Restricted Deer	138.00
	444 MLT COMBO Restricted Deer	1.00
	503 RES Mltary Firearm Deer	1.00
	504 RES Mltary Archery Deer	1.00
	635 APC RES Firearm Deer	15.00
	636 APC SR Firearm Deer	6.00
	637 APC NR Firearm Deer	138.00
	638 APC RES Archery Deer	15.00
	639 APC SR Archery Deer	6.00
	640 APC JR Archery Deer	7.50
	641 APC NR Archery Deer	138.00
	653 APC RES COMBO RegularDeer	15.00
	654 APC SR COMBO Regular Deer	6.00
	655 APC JR COMBO Regular Deer	7.50
	657 APC MLT COMBO RegularDeer	1.00
	658 APC RES COMBO RestrictDeer	15.00
	659 APC SR COMBO RestrictDeer	6.00
	660 APC JR COMBO RestrictDeer	7.50
	662 APC MLT COMBO RestrictDeer	1.00
	692 APC MLT Firearm Deer	1.00
Dove		
	239 Dove Stamp	2.00

	<u>License Type</u>	<u>Price</u>
Elk		
	170 Elk Appl Res	4.00
	171 Elk License Receipt	100.00
	179 Elk Transfer Application	0.00
	701 AO Elk Area A	0.00
	702 Any Elk Area B	0.00
	870 Elk Miss/Appl	0.00
	970 Elk Appl Post Transfer	0.00
Fish		
	110 RES Restricted Fish	15.00
	111 SR Restricted Fish	6.00
	112 NR Restricted Fish	34.00
	115 RES Upgd All Species Fish	13.00
	116 SR Upgd All Species Fish	5.20
	117 NR Upgd All Species Fish	8.00
	120 RES All Species Fish	28.00
	121 SR All Species Fish	11.20
	122 Young Anglr All Spec Fish	2.00
	123 NR All Species Fish	42.00
	125 24 Hour Fish	7.00
	126 24 SR Hour Fish	3.00
	500 RES Mltary All Spec Fish	1.00
Fowl		
	135 Waterfowl Hunting	5.00
	137 Daily Area Use Waterfowl	4.00
	136 Appl Resrv Waterfowl Hunt	4.00
	138 Annual Area Use Waterfowl	13.00
	237 Waterfowl Station Permit	4.00
	502 RES Mltary Waterfowl	1.00
	606 APC Waterfowl Hunting	5.00
	691 APC MLT Waterfowl	1.00
	836 Resrv Waterfowl Miss/Appl	0.00
Fur		
	190 RES Fur Harvester	15.00
	191 SR Fur Harvester	6.00
	192 JR Fur Harvester	7.50
	193 Fur Harvester NR	150.00
	194 RES Fur Trap Only	15.00
	195 JR Fur Trap Only	7.50
	290 Marten Trapping Permit	0.00
	507 RES Mltary Fur Harvester	1.00
	607 APC RES Fur Harvester	15.00
	609 APC JR Fur Harvester	7.50

	<u>License Type</u>	<u>Price</u>
Game		
	130 RES Small Game	15.00
	131 SR Small Game	6.00
	132 JR Small Game	1.00
	133 NR Small Game	69.00
	134 3 Day NR Small Game	30.00
	139 Gamebird Hunting Preserve	15.00
	501 RES Mltary Small Game	1.00
	601 APC RES Small Game	15.00
	602 APC SR Small Game	6.00
	603 APC JR Small Game	1.00
	604 APC NR Small Game	69.00
	605 APC 3 Day NR Small Game	30.00
	690 APC MLT Small Game	1.00
Misc		
	000 DNR Sportcard	1.00
	001 DNR Identification Card	0.00
	002 Migratory Bird Hunter YES	0.00
	003 NOT Migratory Bird Hunter	0.00
	004 Migratory Bird Hunter YES	0.00
	005 HIP Survey Migratory Bird	0.00
	106 Natural Heritage Patch	5.00
Turkey		
	160 Turkey Fall Appl	4.00
	161 RES Fall Turkey	15.00
	162 SR Fall Turkey	6.00
	163 NR Fall Turkey	69.00
	165 Turkey Spring Appl	4.00
	166 RES Spring Turkey	15.00
	167 SR Spring Turkey	6.00
	168 NR Spring Turkey	69.00
	261 RES Turkey Fall LO	15.00
	262 SR Turkey Fall LO	6.00
	263 NR Turkey Fall LO	69.00
	266 Res LO Spring Turkey	15.00
	267 SR LO Spring Turkey	6.00
	268 NR LO Spring Turkey	69.00
	366 RES OTC 234 Spring Turkey	15.00
	367 SR OTC 234 Spring Turkey	6.00
	368 NR OTC 234 Spring Turkey	69.00
	620 APC RES Fall Turkey	15.00
	621 APC SR Fall Turkey	6.00
	860 Turkey Fall Miss/Appl	0.00
	865 Turkey Spring Miss/Appl	0.00

Game & Fish Protection Fund - General Purpose Revenue, Expenditures and Fund Balance



Fund balances are cumulative and assume no reductions.
 FY 2008 - 2012 expenditures assume 4% inflation each year on the estimated FY 2007 spending before reductions.
 FY 2008 - 2012 revenue assumes a decline in license sales of 1.7% annually.
 Assumes the continuation of two buck licenses.

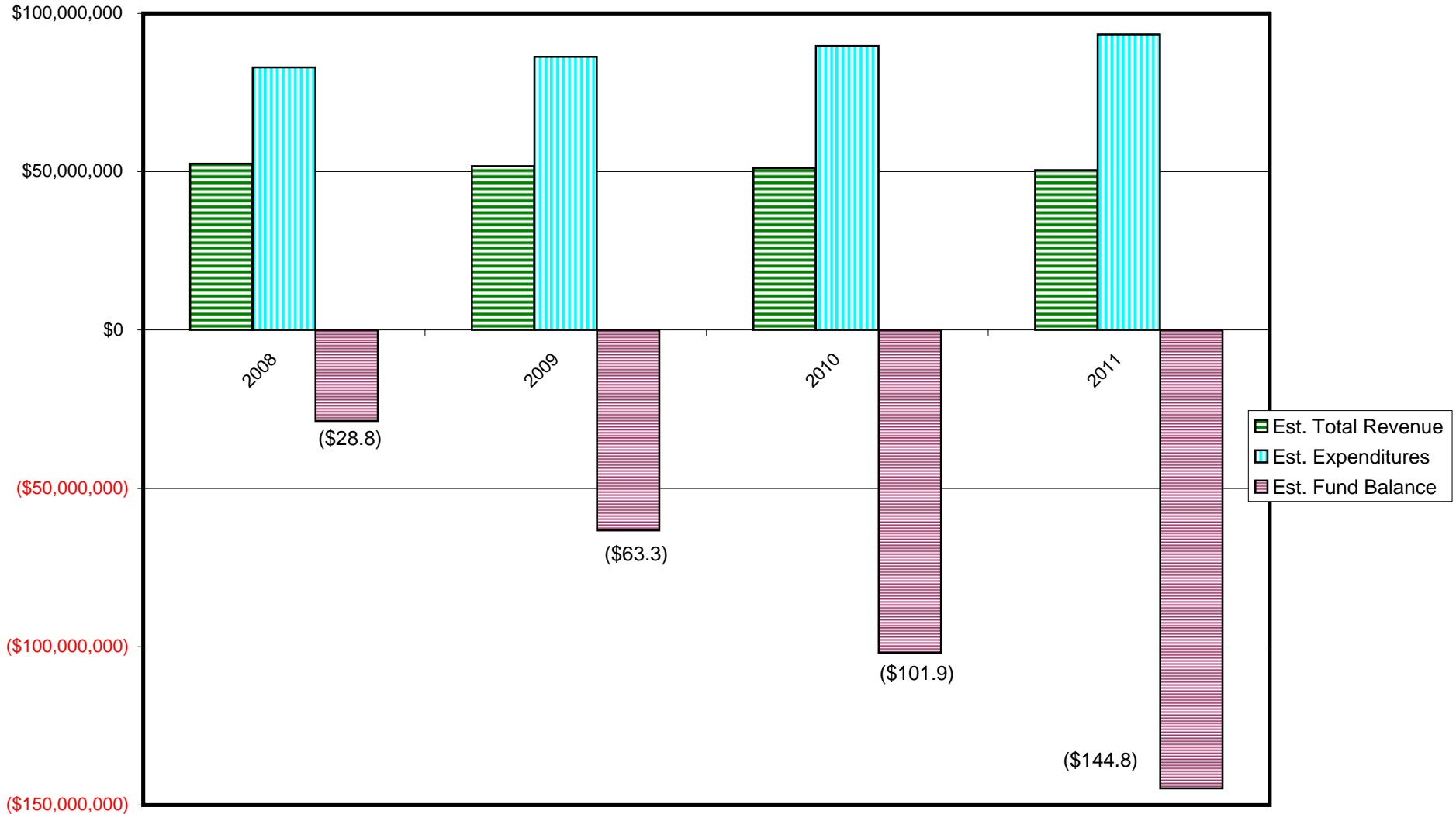
Department of Natural Resources							
Game and Fish Optimal Budget							
Division	Classification	Location	Category	Sub-category	Description	FTE's	F&G Total
Fish	Education & Outreach - Professionals E level	Lansing	1. Staff	Communications & Stewardship	Education and Outreach program for Fisheries Division	1.0	\$100,000.00
Fish	Eastern Lake Superior Management Unit - Fisheries Biologist E	Newberry	1. Staff	Field	Field biologist to perform permit reviews and other duties related to managing the resource	1.0	\$102,094.38
Fish	Lake Erie Management Unit - Fisheries Biologist E	Livonia	1. Staff	Field	Field biologist to perform permit reviews and other duties related to managing the resource	1.0	\$102,094.38
Fish	Northern Lake Michigan Management Unit - Fisheries Biologist E	Escanaba	1. Staff	Field	Field biologist to perform permit reviews and other duties related to managing the resource	1.0	\$102,094.38
Fish	Trades Helper E	Platte River Hatchery	1. Staff	Field	Perform duties related to rearing and stocking fish	1.0	\$74,754.12
Fish	Trades Helper E	Thompson Hatchery	1. Staff	Field	Perform duties related to rearing and stocking fish	1.0	\$74,754.12
Fish	Trades Helper E	Wolf Lake Hatchery	1. Staff	Field	Perform duties related to rearing and stocking fish	1.0	\$74,754.12
Fish	Western Lake Superior Management Unit - Fisheries Biologist E	Baraga	1. Staff	Field	Field biologist to perform permit reviews and other duties related to managing the resource	1.0	\$102,094.38
Fish	Lake Erie Basin - Resource Analyst E (Watershed Spec)	Livonia	1. Staff	Habitat	Assist Basin Coordinators with watershed issues	1.0	\$102,094.38
Fish	Lake Huron Basin - Resource Analyst E (Watershed Spec)	Lansing	1. Staff	Habitat	Assist Basin Coordinators with watershed issues	1.0	\$102,094.38
Fish	Lake Michigan Basin - Resource Analyst E (Watershed Spec)	Plainwell	1. Staff	Habitat	Assist Basin Coordinators with watershed issues	1.0	\$102,094.38
Fish	Lake Superior Basin - Resource Analyst E (Watershed Spec)	Newberry	1. Staff	Habitat	Assist Basin Coordinators with watershed issues	1.0	\$102,094.38
Fish	Ann Arbor - Research Biologist E	Ann Arbor	1. Staff	Research	Perform various research projects	1.0	\$102,094.38
Fish	Charlevoix - Research Biologist E	Charlevoix	1. Staff	Research	Perform various research projects	1.0	\$102,094.38
Fish	Fisheries Technician E	Hunt Creek	1. Staff	Research	Provide technical support to various research projects	1.0	\$85,314.97
Fish	Mt Clemens - Research Biologist E	Mt. Clemens	1. Staff	Research	Perform various research projects	1.0	\$102,094.38
Fish			2. Operating Exp	Grants & Match	In-land Fisheries Grant		\$100,000.00
Fish			3. One-Time Capital Outlay	Hatcheries	Baraga storage (\$150.0), Harrietta aeration (\$250.0), Effluent management (\$600.0)		\$1,000,000.00

Division	Classification	Location	Category	Sub-category	Description	FTE's	F&G Total
Fish			3. One-Time Capital Outlay	Vessel	Vessel		\$500,000.00
Fish			4. Capital Outlay	Maintenance	Major maintenance		\$400,000.00
Law	Comm Asst	Lansing	1. Staff	Admin	Reinstating previous positions. Answer 1-800 hotline and information number for 24 hour operation.	2.0	\$135,997.80
Law	Secretary-9	Lansing	1. Staff	Admin	Secretary to the Division.	1.0	\$76,746.36
Law	CO10/11	various	1. Staff	CO	Conservation law enforcement activities. Continual replacement for retiring/departing CO. This is necessary to keep the optimal amount of CO coverage around the State.	22.0	\$2,673,336.22
Law	CO 12	various	1. Staff	CO	Specialist providing expertise on complex issues in the legal and policy, commercial fish and investigative units.	2.0	\$257,996.26
OLAF	Department Analyst RSS Program	Lansing	1. Staff	Admin	Programmer for the Retail Sales System (RSS) for system checks and balances.	1.0	\$69,092.00
OLAF	Account Tech	Various Locations	1. Staff	Field	New positions requested to optimize functions of the Field Offices/Operation Service Centers & open new offices.	3.0	\$230,076.00
OLAF	Communications Asst	Livonia	1. Staff	Field	New position requested to optimize functions of the Field Offices/Operation Service Centers	1.0	\$51,514.40
OLAF	Secretary	Various Locations	1. Staff	Field	New positions requested to optimize functions of the Field Offices/Operation Service Centers & open new offices.	10.5	\$685,286.00
OLAF		Newberry	2. Operating Exp	CSSM	9,000 sq ft @ \$18/sq ft - Lease expires 9/31/07 - Lease has extension clause - Estimate of lease to own cost per year		\$113,400.00
OLAF		Traverse City FO	2. Operating Exp	CSSM	6,000 sq ft @ \$20/sq ft - Lease expires 12/31/07 - Lease has extension clause - Estimate of lease to own cost per year		\$84,000.00
OLAF	Baseline Support/Equipment Replacement	Lansing	2. Operating Exp	Equip	To maintain the Retail Sales System (RSS) and plan for upgrades.		\$1,150,000.00
OLAF	Equipment		2. Operating Exp	Equip	Equipment was not provided in appropriation - each Operation Service Center needs approx. \$4,500 annually		\$18,900.00
OLAF	Maintenance		4. Capital Outlay	Maintenance	Constant funding source needed for the repair and maintenance of the Operation Service Centers & Field Offices		\$350,000.00
Communications	Communications Specialist	Lansing	1. Staff	Admin	Division education and outreach	3.0	\$292,625.14
Communications	Communications Rep	Lansing	1. Staff	Admin	Web assistant	1.0	\$95,542.00
Communications	Media Production Specialist	Lansing	1. Staff	Admin	Write and produce video programs	1.0	\$135,242.00
Communications		Lansing	2. Operating Exp	CSSM	Contract for graphic arts designer for publications design and show & visitor center exhibits		\$60,954.00

Division	Classification	Location	Category	Sub-category	Description	FTE's	F&G Total
Communications		Lansing	2. Operating Exp	CSSM	Park and hatchery visitor center upgrades		\$6,800.00
Communications		Lansing	2. Operating Exp	CSSM	Fair and show display and exhibit upgrades		\$3,400.00
Wildlife	Drawings Specialist	Lansing	1. Staff	Admin	Provide expertise and data maintenance support for all Wildlife drawings.	1.0	\$105,645.21
Wildlife	Program Support Contract Administrator	Lansing	1. Staff	Admin	Coordinate all research contracts as well as serve as assistant to the Division's federal aid coordinator	1.0	\$100,219.00
Wildlife	Assistant Field Coordinator	Roscommon	1. Staff	Field	Work directly for the Division's Field Coordinator and focus on supervision of field operations staff and budgeting.	1.0	\$128,936.00
Wildlife	Seasonal and Short Term Staff	Statewide	1. Staff	Field	Seasonal staff provide a variety of field support each year including State Game Area maintenance, habitat maintenance, and research survey work.		\$975,000.00
Wildlife	Ecologist Planner	Saginaw Bay	1. Staff	Planning	Work on regional planning efforts and serve on southern Michigan ecoteams.	1.0	\$109,154.00
Wildlife	Ecologist Planner	South Central	1. Staff	Planning	Work on regional planning efforts and serve on southern Michigan ecoteams.	1.0	\$109,154.00
Wildlife	Ecologist Planner	Southeast	1. Staff	Planning	Work on regional planning efforts and serve on southern Michigan ecoteams.	1.0	\$109,154.00
Wildlife	Ecologist Planner	Southwest	1. Staff	Planning	Work on regional planning efforts and serve on southern Michigan ecoteams.	1.0	\$109,154.00
Wildlife	Private Lands Biologist	Saginaw Bay	1. Staff	Private Lands	Provide technical support for habitat management to private land owners in the corresponding Management Unit's area.	1.0	\$102,973.00
Wildlife	Private Lands Biologist	South Central	1. Staff	Private Lands	Provide technical support for habitat management to private land owners in the corresponding Management Unit's area.	1.0	\$102,973.00
Wildlife	Private Lands Biologist	Southeast	1. Staff	Private Lands	Provide technical support for habitat management to private land owners in the corresponding Management Unit's area.	1.0	\$102,973.00
Wildlife	Private Lands Biologist	Southwest	1. Staff	Private Lands	Provide technical support for habitat management to private land owners in the corresponding Management Unit's area.	1.0	\$102,973.00
Wildlife	Equipment	Statewide	2. Operating Exp	Equip	An annual budget for new, replacement of unsafe and unrepairable equipment.		\$500,000.00
Wildlife	Private Landowner Incentive	Statewide	2. Operating Exp	Private Lands	Provide financial incentives for preferred conservation practices and match for federally funded private lands programs.		\$250,000.00

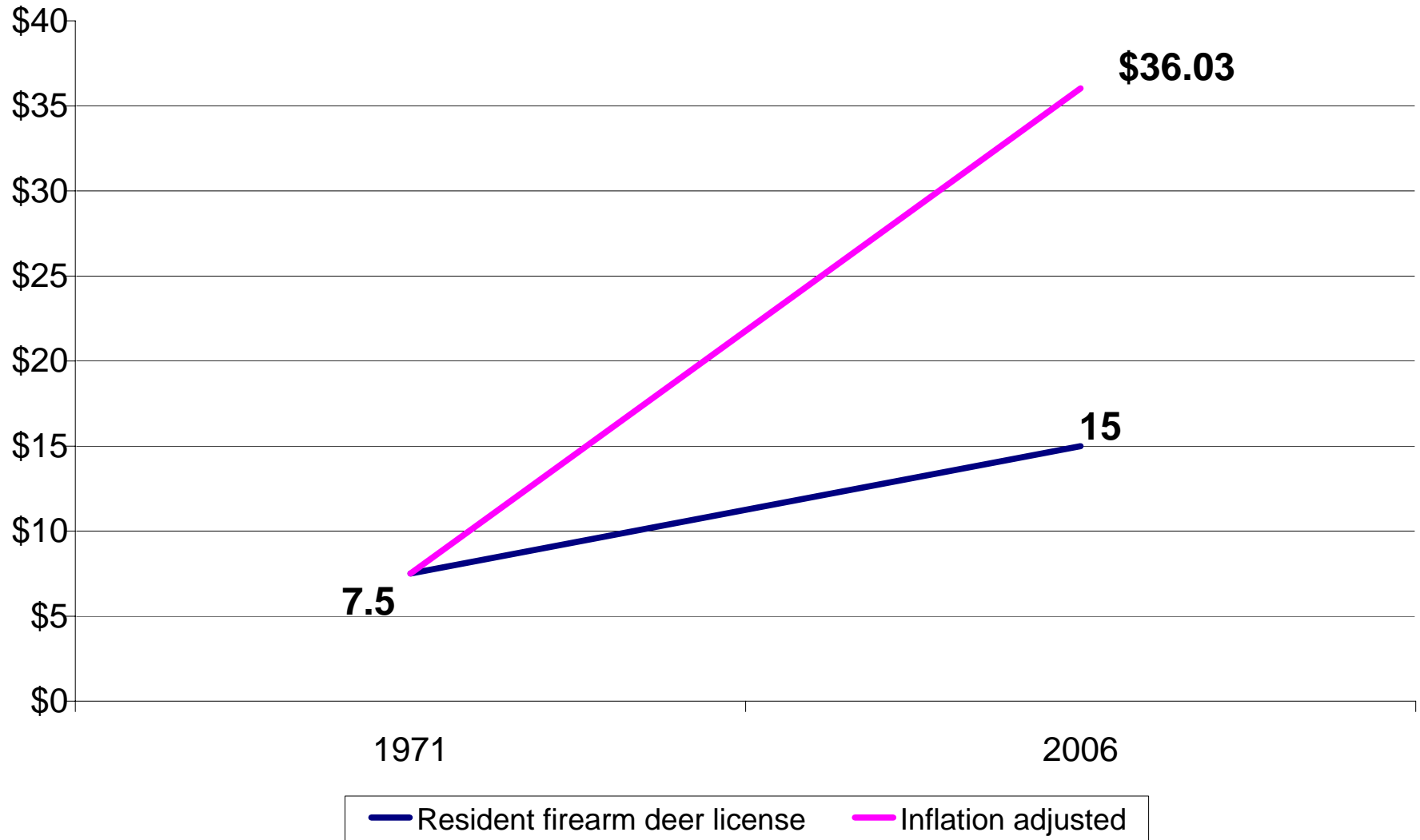
Division	Classification	Location	Category	Sub-category	Description	FTE's	F&G Total
Wildlife	Major Capital Improvements	Statewide	4. Capital Outlay	Maintenance	The Division needs funding for major renovations and repairs necessary to maintain facilities and infrastructure in a safe, operable condition throughout their useful life.		\$400,000.00
						73.5	\$13,231,831.90

**Game & Fish Protection Fund - General Purpose
Revenue, Expenditures and Fund Balance
With Enhanced Budget**

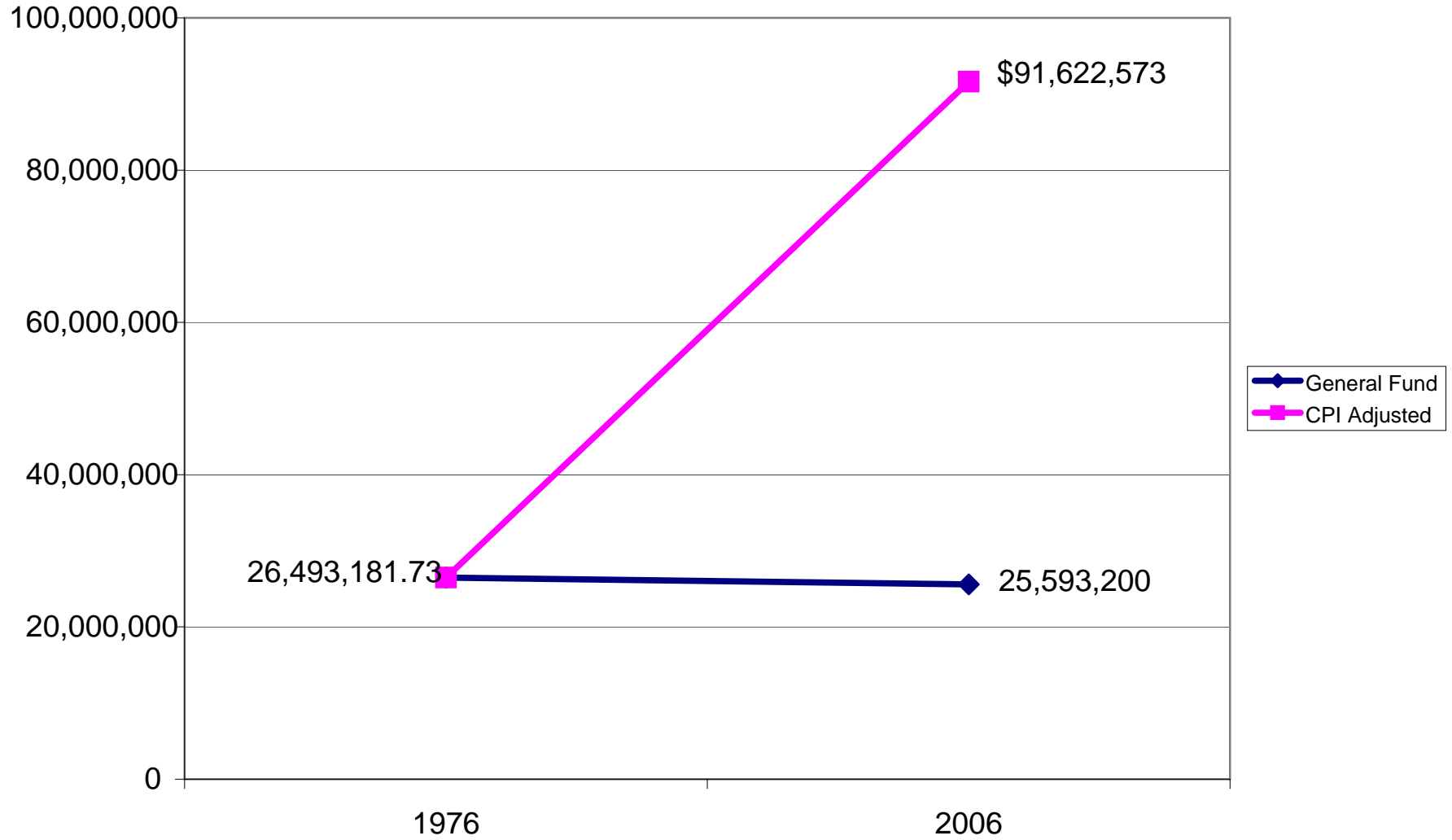


Fund balances are cumulative and assume no reductions.
 FY 2008 - 2012 expenditures assume 4% inflation each year on the estimated FY 2007 spending before reductions.
 FY 2008 - 2012 revenue assumes a decline in license sales of 1.7% annually.
 Assumes one buck license.
 The enhanced budget includes an additional \$13.2 million annually and is adjusted each year for inflation.

Deer License Fee Adjusted for Inflation



1976 General Fund Inflation Adjusted



Description of Restricted Funds

Air Photo and Geographic Information System Fund

This fund was created to combine the former Air Photo Fees and Geographic Information Systems Fund as authorized in 1994, PA 451, as amended, Parts 5 and 609. Revenue is generated through the sale of statewide aerial photos, and through fees that are based on the costs associated with operating the Geographic Information System.

Commercial Forest Fund

This fund was established by 1994 PA 451, as amended, Part 511. Revenue for this fund is derived from the following sources: 1) application fees and forest management fees for commercial forests. The application fee is \$1.00 per acre or a fraction of an acre, not to exceed \$1,000.00; 2) withdrawal application fees in the amount of \$1.00 per acre with a minimum withdrawal application fee of \$200.00 per application and a maximum withdrawal application fee of \$1,000.00 per application; 3) a fee for violations of this Act equal to the withdrawal application fee; 4) an amount equal to \$0.10 for each acre of enrolled land to be appropriated each fiscal year from the General Fund; and 5) any restitution ordered by a court payable to this state for a violation of the Commercial Forest Act. The state Treasurer may also receive money or other assets from any source for deposit into the fund.

Upon appropriation, money from the fund shall be expended for enforcement, administration, and monitoring of compliance with the Commercial Forest Act and rules promulgated under this Act.

Forest Development Fund

This fund was established by 1994 PA 451, as amended, Part 505. The Act repealed Section 1 of 1945 PA 268 (Forest Management Fund) and transferred the remaining balance to this fund. In addition, it created the Michigan Forest Finance Authority. The Authority may issue bonds up to \$20 million to finance forest management operations and practices that are consistent with Department objectives. The Authority may also acquire standing timber, timber cutting rights, and the state's interest in contracts granting cutting rights, on state tax reverted lands and on other lands in the state forest system. The revenues generated from the sale of bonds and timber products are to be used for payment of interest or principal on outstanding bonds. The remaining revenue shall fund forest management programs in a manner prescribed by the Department. This revenue is a major funding source for the Forest, Mineral, and Fire Management Division.

Forest Land User Fund

Part 5 of 1994 PA 451 authorized the Natural Resources Commission to "establish and collect fees for the processing of applications for the use of state forests that require extensive review." The fees are collected for easement applications, land exchange applications, nonmetallic mineral extraction agreements, seismic surveys, special use, and general use. The revenues fund the review functions in the Forest, Mineral, and Fire Management and Land and Facilities Divisions.

Forest Recreation Fund

This fund, established by 1994 PA 451, as amended, Part 831, authorizes the Department to set forest camping fees and grant concessions within the boundaries of state forests. State forest campgrounds currently charge a daily fee of up to \$10.00 and between \$35.00 and \$75.00 per day for camping cabins located within various state forests.

Game and Fish Protection Fund

This fund was established by 1994 PA 451, as amended, Part 435. It is financed principally by the sale of hunting and fishing licenses. The fees are set by the Legislature. The interest and earnings, plus \$6 million from the Game and Fish Protection Trust Fund as provided in 2001 PA 50, are transferred annually to this fund for use. The fund is intended to provide financial support for statewide hunting and fishing programs. Management, research, enforcement of fishing and hunting laws, and acquisition of lands to be used for hunting and fishing purposes are examples of uses of this fund.

Game and Fish Protection Fund - Deer Habitat

This fund was established by 1994 PA 451, as amended, Part 435. Funding of the Deer Range Improvement Program (DRIP) is generated by earmarking \$1.50 of each deer hunter's license fee. Funds are used for improving and maintaining habitat for deer and for the acquisition of lands for an effective deer habitat management program.

Game and Fish Protection Fund - Turkey Permit

This fund was established by 1994 PA 451, as amended, Part 435. This fund is supported by the revenue generated from the sale of licenses to hunt wild turkey. A portion of the fee collected is to be used for wild turkey scientific research, biological survey work on wild turkeys, and overall wild turkey management in this state.

Game and Fish Protection Fund - Waterfowl Licenses and Fees

This fund was established by 1994 PA 451, as amended, Part 435. The source of revenue is the daily and seasonal hunting permits issued for state-managed waterfowl areas and from the sale of waterfowl hunting licenses. Funds are used to acquire, operate, maintain, and develop managed waterfowl areas.

Game and Fish Protection Fund - Wildlife Resource Protection Fund

This fund was established by 1994 PA 451, as amended, Part 435. The Act provides that \$0.35 from each hunting and fishing license sold will be deposited into this fund. The funds are to be used to inform the public about the harm of poaching and to offer rewards leading to the arrest and prosecution of poachers. This program is publicly identified as RAP (Report All Poaching).

Game and Fish Protection Fund - Youth Hunting and Fishing Education/Outreach Fund

This fund was established by 1994 PA 451, as amended, Part 435. Revenue is generated from the sale of small game licenses and all-species fishing licenses to youth, ages 12 through 16. The fees collected are to be used for hunting and fishing education and outreach programs for youth through 16 years of age.

Game and Fish Protection Trust Fund

This fund was established by 1994 PA 451, as amended, Part 437. The source of revenue for this fund consists of gifts, grants, and bequests; plus rentals, bonuses, royalties, etc. from the removal of minerals, coal, oil, gas, timber or other resources from state-owned land acquired with Game and Fish Protection Fund monies. The interest and earnings plus \$6 million, as authorized in 2001 PA 50 from this Trust Fund, are deposited annually in the Game and Fish Protection Fund for expenditure.

Harbor Development Fund

This fund was established by 1994 PA 451, as amended, Part 781. Part 801 of 1994 PA 451, as amended, stipulates that the fund will be financed by 33.5% of watercraft registration fees.

The funds are used to acquire land, construct non-revenue-producing facilities, enter into long-term leases with private enterprise for the subsequent construction of revenue-producing harbor facilities, and operation of marinas.

Land Exchange Facilitation Fund

This fund was established by 1994 PA 451, as amended, Part 21. The Natural Resources Commission designates surplus lands and may authorize the Department to sell those lands at a price not less than its fair market value as determined by an appraisal. The proceeds from the sale of surplus land are deposited into the fund and used to purchase land recommended by the Department and authorized by the Michigan Natural Resources Trust Fund Board, for natural resources management, administration, and public recreation.

MacMullan Conference Center

In 1971, the Ralph A. MacMullan Conference Center was placed on a self-sustaining basis by the Legislature. It functions with a revolving account that receives all fees or other revenues generated from the Center's operation. This fund was established by 1994 PA 451, as amended, Part 5. Built in 1941, the Center is under the administration of Land and Facilities. It is the main training facility for Department employees, and is used extensively by other state departments and educational institutions. The account receives all fees or revenues generated by the Center, and the funds are used for operation and maintenance.

Marine Safety Fund

This fund was established by 1994 PA 451, as amended, Part 801. The fund is financed by 49% of watercraft registration fees. Prior to January 1, 1989, the fund received 75% and then 60% of watercraft registration fees. The change to 49% was made to provide funding for the Harbor Development Fund.

The funds provide boating safety education programs and law enforcement for the operation of watercraft on the waters of this state.

Michigan Civilian Conservation Corps Endowment Fund

This fund, established by 1994 PA 394, Public Act 431 of 1994, as amended, designated \$20 million of the proceeds from the sale of the Accident Fund as a permanent corpus. This corpus is invested, and only the interest and earnings of the fund are available for appropriation for the operation of the Corps.

Natural Resources Trust Fund

This fund was established in Article IX, Section 35 of the Constitution and in 1994 PA 451, as amended, Part 19. Its purpose is to provide a source of funds to state and local units of government for acquisition of public recreational land and development of outdoor, public recreational facilities. Funds are accrued from the sale of, and royalties from, oil, gas, and mineral leases and extractions on state lands.

This fund was originally the Kammer Recreational Land Acquisition Trust Fund. Public Act 204 of 1976 created the Michigan Land Trust Fund (MLTF) to provide a source of funding for the public acquisition of lands for resource protection and public outdoor recreation. Funding for the MLTF was derived from royalties on the sale and lease of state-owned mineral rights.

On November 6, 1984, Michigan residents approved "Proposal B", which amended the state Constitution and created the Natural Resources Trust Fund (NRTF). The constitutional amendment required that oil, gas, and other mineral lease and royalty payments be placed into the NRTF, with proceeds used to both acquire and develop public recreation lands. To implement the constitutional amendment, the Legislature passed the Michigan Natural Resources Trust Fund Act on October 1, 1985 (101 P.A. 1985), which officially replaced the

MLTF. Act 101 stipulated that, in any one fiscal year, up to one-third of all mineral lease revenues, plus the interest and earnings of the NRTF, could be used to both purchase land for resource protection and public outdoor recreation as well as develop outdoor recreation facilities.

Public Act 101 of 1985 also specified that not less than 25 percent of the total expenditures from the NRTF in any fiscal year be expended for land acquisition and rights in land, and not more than 25 percent of the total expenditures from the NRTF in any fiscal year be expended for development of public recreation facilities. In addition, Act 101 authorized the use of the NRTF to make annual payments in lieu of taxes (PILT) to local units of government when the state acquires property with NRTF assistance.

On November 8, 1994, Michigan voters approved "Proposal P", which amended the state Constitution. The 1994 amendment reversed a previous constitutional provision, which allowed a portion of royalty revenues to go to the Michigan Strategic Fund. Also, Proposal P established the State Parks Endowment Fund for the operation, maintenance and capital improvements at Michigan's state parks. With the passage of Proposal P, the following changes in the NRTF also became effective:

- Accumulated principal limit of the NRTF was increased to \$400 million, exclusive of interest and earnings and amounts authorized for expenditure.
- Until the NRTF reaches a principal of \$200 million, not more than one-third of the mineral revenues, plus interest and earnings, may be used for the acquisition and development of recreational lands. After the NRTF principal reaches \$200 million, only the interest and earnings of the NRTF may be spent on the acquisition and development of recreational lands.
- Until the NRTF principal reaches \$400 million, \$10 million or 50 percent (whichever is the lesser amount) of the mineral revenues is deposited annually into the State Parks Endowment Fund.
- When the principal of the NRTF reaches \$400 million, all mineral revenues will be deposited into the State Parks Endowment Fund until it reaches an accumulated principal of \$800 million.

On August 6, 2002, voters approved Proposal 2, which raised the NRTF cap from \$400 million to \$500 million and removed the \$200 million cap so that one-third of the mineral revenues, plus interest and earnings, may be used for the acquisition and development of recreational lands until the fund reaches the \$500 million cap.

Nongame Fish and Wildlife Trust Fund

This fund was established by 1994 PA 451, as amended, Part 439. The Nongame Fish and Wildlife Trust Fund received contributions from the check-off on state income tax forms. At least 20% of the revenue was deposited into the Trust until it reached \$6 million. In 2000 PA 291, the Trust was fully funded, eliminating the income tax check-off. Revenues are currently generated from the sale of specialty license plates, interest, and earnings. The fund is used solely for the research and management of nongame fish and wildlife and designated endangered animal and plant species. Nongame fish and wildlife are defined as those unconfined and not ordinarily taken for sport, fur, or food. It may also include game species when located in protected areas.

Off-Road Vehicle (ORV) Trail Improvement Fund

This fund was established by 1994 PA 451, as amended, Part 811. As of April 1, 1996, the license fee has been \$16.25. For every license sold, \$0.25 is retained by the dealer as a commission for services rendered. The Department may accept gifts, grants, or bequests for the purposes of the fund. The funds must be used for projects that are open to the public.

The funds may be used only for signing, improvement, maintenance, and construction of ORV trails; leasing of land; acquisition of easements, permits, or other agreements for the use of land for ORV trails; and for the restoration of natural resources that are damaged due to ORV use.

The license fees also fund the ORV Safety Education Fund. This fund was established by 1994 PA 451, as amended, Part 811. From each license fee, \$1.00 is deposited into this fund. Funds are used for an ORV safety education course for youth under 16 years of age. This revenue and program were administered by the Department of Education until Fiscal Year 2004. PA 111 was enacted which transferred the revenue and program to the Department.

Parks Endowment Fund

This fund was established by 1994 PA 451, as amended, Part 741, and in Article IX, Section 35a of the Constitution with passage of ballot Proposal P in November 1994. The fund may receive money from any source.

Until the NRTF principal reaches \$500 million, exclusive of interest and earnings and amounts authorized for expenditure, either \$10 million or 50%, whichever is the lesser amount, of the mineral revenues shall be deposited annually into the fund.

When the principal of the NRTF reaches \$500 million, all mineral revenues will be deposited into the fund until it reaches an accumulated principal of \$800 million. The accumulated principal limit will be annually adjusted for the rate of inflation, beginning when it reaches \$800 million.

Until the fund reaches an accumulated principal of \$800 million, not more than 50% of the money received from the NRTF, plus interest and earnings and any private contributions or other revenue to the fund, shall be appropriated by the Legislature. Money available for expenditure shall be expended for operations, maintenance, and capital improvements at state parks and for the acquisition of land or rights in land for state parks. Once the accumulated principal has reached \$800 million, only the interest and earnings in excess of the amount necessary to maintain the fund's accumulated principal limit shall be available for expenditure.

Park Improvement Fund

This fund was established by 1994 PA 451, as amended. The fund receives all revenues derived from, but not limited to, motor vehicle permits, concession fees, leases, camping fees, donations, and gifts. The camping fee structure is established by and concession leases are approved by the Natural Resources Commission. The current overnight camping fee structure is based on the campground amenities and the popularity of the state park in which they are located. The fees range from \$10.00 to \$33.00.

The fund is authorized to issue up to \$100 million in revenue bonds to be sold for parkland acquisition and development. Revenue to make principal and interest payments for bonds and its interest is generated from the sale of park motor vehicle entry permits. The current fee structure went into effect in January 2004. The annual park permit fee is \$24.00 for residents and \$29.00 for non-residents. An owner of a resident motor vehicle who is 65 years of age or older may be issued a special annual park permit for one-fourth the amount of the annual park permit. Daily park permit fees are \$6.00 for resident motor vehicles and \$8.00 for non-resident motor vehicles.

The fund may be expended for the improvement, operation, and maintenance of state parks and recreation areas.

Recreation Improvement Fund

This fund was established by 1994 PA 451, as amended, Part 711. Revenue for this fund is derived from 2% of all state-imposed taxes collected on the sale of gasoline. The Legislature determined that 2% of gasoline sales in the state were for watercraft, off-road vehicles, and snowmobiles. Of the 2% designated by the Legislature, the Michigan State Waterways Fund receives not less than 80%, the Snowmobile Trail Improvement Fund receives not less than 14%,

and the remaining balance, if any, is distributed to recreational projects, with emphasis on repairing ORV-related damages.

Snowmobile Registration Fee Revenue

This fund was established by 1994 PA 451, as amended, Part 821. The purpose of this Part is to provide for the registration and regulation of snowmobiles; snowmobile education and training programs; snowmobile trails, areas and facilities; expenditure of revenues; and to prescribe penalties. Revenue is derived from the sale of snowmobile registration permits. The total cost of the registration permit is \$22.00. Of this, not less than \$5.00 is deposited into the Snowmobile Trail Improvement Fund, \$3.00 is retained by the Secretary of State, and the remaining \$14.00 is used for law enforcement, trail improvement, and the administration of Part 821.

Snowmobile Trail Improvement Fund

This fund was established by 1994 PA 451, as amended, Part 821. Revenue for this fund is derived from snowmobile registration fees, snowmobile trail permit stickers, and the distribution of gasoline taxes from the Recreation Improvement Fund. Of the \$22.00 paid for each snowmobile registration fee, not less than \$5.00 is deposited to this fund. Of the \$25.00 paid for each snowmobile trail sticker, \$24.00 is credited to the fund, and agents retain \$1.00. The Recreation Improvement Fund (1994 PA 451, as amended, Part 821) receives 2% of all state gasoline taxes; 14% of this amount is deposited to the fund. The fund is used for the improvement of snowmobile trails, administration, and other nonconflicting recreational purposes.

Waterways Fund

This fund was established by 1994 PA 451, as amended, Part 781. The fund is financed by watercraft registration fees and gasoline taxes. Prior to 1988, 25% of watercraft registration fees were deposited into this fund. In 1988, the amount was changed to 20% and has been 17.5% since January 1, 1989 (1994 PA 451, as amended, Part 801). Part 711 of 1994 PA 451, as amended, provides that 1.6% of all state-imposed taxes collected on the sale of gasoline shall be credited to the Waterways Fund, after deducting collection costs and refunds. These funds are directed primarily toward the construction, operation, and maintenance of recreational boating facilities, property acquisition, grants, and administration.

Note: All fund balances at the end of a fiscal year are carried over to the following year and do not revert to the General Fund.

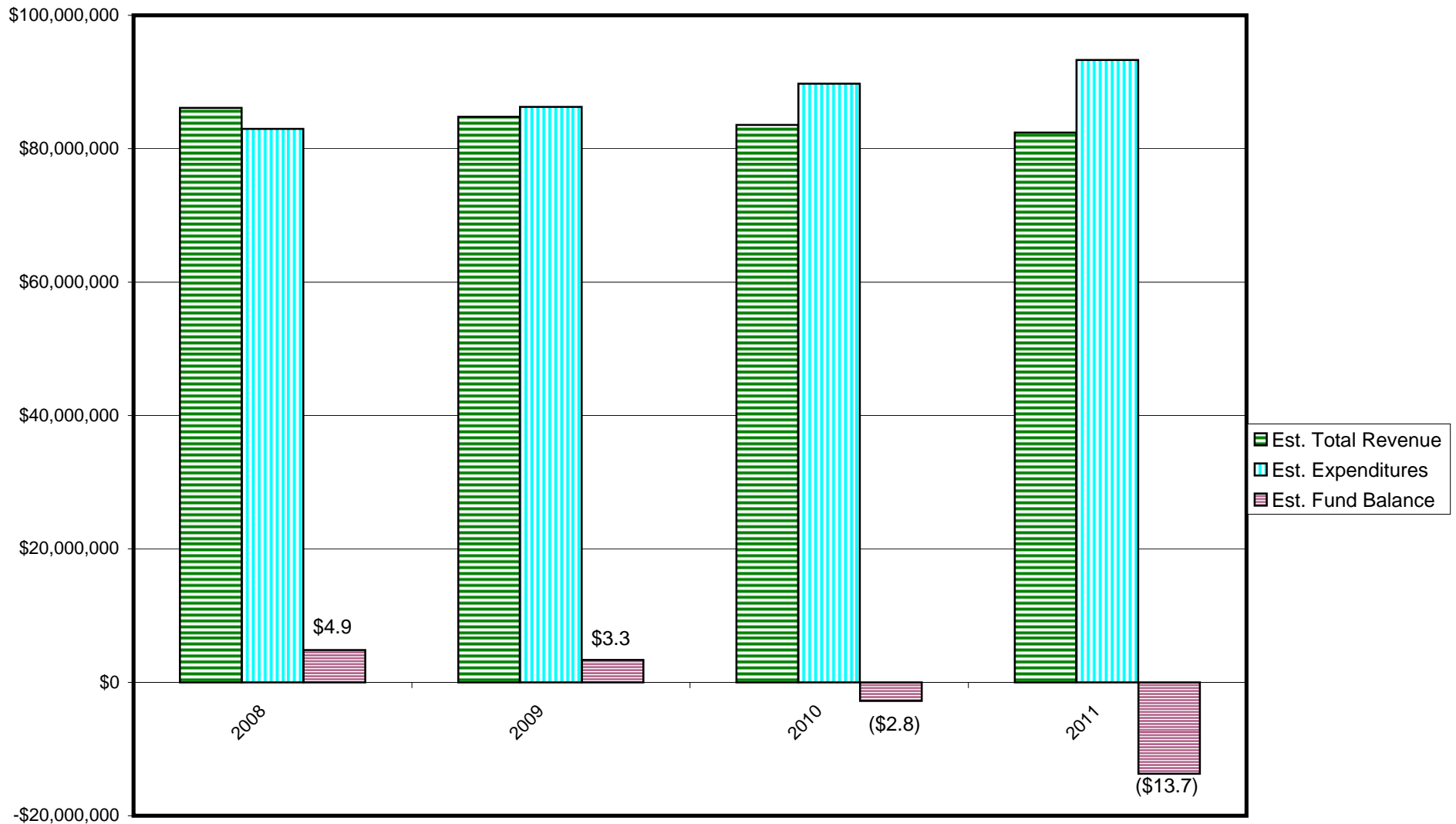
State Game Area Use and Users from Drive-In Users in Spring/Summer 2006

- Spring and summer game area use levels low
- Average 2.6 users hours/acre spring and 1.5 user hours/acre summer
- Nine in ten spring and summer users are already DNR license/permit customers
 - Spring users: 59% w/ hunting license(s), 80% w/ hunt or fish license(s), 92% w/ some type DNR license/permit
 - Typical user has 4.1 licenses/permits/registrations
 - Summer users: 80% w/ hunting license(s), 81% w/ hunt or fish license(s), 92% w/ some type DNR license/permit
 - Typical user has 4.0 licenses/permits/registrations
- In summary, most game area users are already paying to game and fish fund and DNR for other purposes multiple times

Challenges with public land use license/ “sportscard”

- State game and wildlife areas
 - Multiple access/exit points on 340,000 signed acres in 100 state game and wildlife areas
 - None are staffed
 - No enforcement people in Wildlife Division (unlike Parks and Recreation)
 - Conservation officers busy with a wide variety of other matters
 - When you pay you have a greater say
 - Potential conflict with primary mission of habitat and wildlife oriented recreation
- State forests
 - Innumerable access/exit points on 3.9 million **unsigned** acres
 - None are staffed
 - Often difficult to know when you are or are not in state forest versus national forest or private lands under the Commercial Forest Act
 - No enforcement people in Forest, Mineral and Fire Management Division
 - Conservation officers busy with a wide variety of other matters
 - National forests have a developed site (campgrounds, water access sites, trailheads, interpretive facilities) permit for motor vehicles at signed, designated parking locations
 - Moderately successful

**Game & Fish Protection Fund - General Purpose
Revenue, Expenditures and Fund Balance
Increase Based on 10/9/06 Meeting with 5% Resistance**



Fund balances are cumulative and assume no reductions.

FY 2008 - 2012 expenditures assume 4% inflation each year and approx. \$13,000,000 in enhancements.

FY 2008 - 2012 revenue assumes a decline in license sales of 1.7% annually.

Revenues include an est. resistance of 5.0% on license sales and do not include any loss of federal funding due to resistance.