INVESTIGATION OF THE VEHICLE ENTRANCE FEE IN MICHIGAN STATE PARKS

Thesis for the Degree of M. S.
MICHIGAN STATE UNIVERSITY

Lyle W. Hannahs

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ABSTRACT

INVESTIGATION OF THE VEHICLE ENTRANCE FEE IN MICHIGAN STATE PARKS

by Lyle Willard Hannahs

Most state agencies today are faced with the problem of finding additional sources of revenue with which to meet the ever increasing demands on their resources. Park and recreation departments are often among the least powerful of the departments in competition for these funds. Parks do not have the special interest that organizations set up to fight heart disease or polio have, but with an increase in leisure time they are becoming more of a public concern. As far as a revenue tax is concerned the parks and recreation departments are at somewhat of a disadvantage, as most of the older, established agencies have claimed most of the best tax sources. For instance, auto licenses and gasoline taxes are earmarked for public highway purposes; some of the state income taxes are for school purposes; game and fish monies are used for game and fish purposes, etc.

State parks and recreation departments would find it difficult to establish claims on these taxes. This is not necessarily the case in every state. Washington and Oregon get money from drivers' license fees for park purposes, and Wisconsin has a \$50 million land acquisition program financed by a cigarette tax, and there are other exceptions. From this a general idea of the relative "ability" of the state

Lyle W. Hannahs

parks and recreation departments to obtain funds may be de-

Our state park agencies are not receiving adequate funds through legislative appropriations to meet the increasing demand for these recreation areas and parks. If state park systems are to have adequate funds for capital improvements, other alternatives of deriving revenue must be investigated, among these alternatives is the entrance fee.

Charging entrance fees to state parks and other public parks has been a subject that has presented many controversial issues in the past and will continue to do so in the future.

An entrance fee may be desirable in one circumstance and possibly not desirable or acceptable under a different set of circumstances. These will vary with the type of public park being considered, the degree of development of the park, the demand for the park by the general public, the operating budgets of the park or park systems, the location of the park, the degree of development of the park and the amount of disposable income of the park users.

If an entrance fee is instituted in a park system, the revenue may be used for operation, administration, maintenance, land acquisition, capital improvements or combinations of these categories. Where the revenue can best be used to benefit the park user, again will vary with the circumstances present.

Parks and recreation supported by public funds, as contributing to the public welfare and liability, both present Lyle W. Hannahs strong arguments against fees and charges. Several strong

arguments for fees and charges are also presented. The "pros" and "cons" of the entrance fee have been investigated with resulting recommendations pertaining to the State of Michigan.

Examinations of various materials including periodicals, newspapers, books, Federal and state documents have been used in this study. These have also been strongly supported by interviews with men in responsible positions with the Michigan Conservation Department. Also, a questionnaire was distributed which provided significant facts for this investigation. The experiences of other states having an entrance fee have also been discussed and presented to provide a comparison with Michigan's experience with the vehicle entrance fee.

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By

Lyle W. Hannahs

Service and Ambridge

A THESIS

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Lyle W. Hannahs

TABLE OF CONTENTS

		Page
	EDGMENTS APPENDICES	ii v
Chapter		
I.	INTRODUCTION	ı
	Nature of the Problem	2
	Importance of the Study	2 3 4
	Objective	4
	Scope	4
	Method of Approach	4
II.	FACTORS AFFECTING PARK DEMAND	5
	The Purpose of Parks	5 5 5
	Classification of Parks	5
	Changing Concepts in Parks in the United	
	States	7
	Factors Affecting Demand for Recreational	
	Facilities	11
	Population	11
	Transportation	15
	Increased Incomes	17
	Leisure Time	19
	Advertising	22
III.	CLASSIFICATION OF REVENUE PRODUCING FACILITIE	פי
TTT.	AND EXPERIENCE IN OTHER STATES	23
	Classification of Revenue Producing Facil-	בי
	1ties	23
	Admission Fees	23
	Rental Fees.	24
	User Fees	24
	Sales Revenues	24
	License and Permit Fees	25
	Special Service Fees	25
	Entrance Fees.	26
	Survey	27
	Preparation of the Questionnaire	28
	Results	29
	Purpose Fee was Used for	29
	Areas Entrance Fee Collected In	30
	Charge For State Park Entrance	30
	The Methods of Collecting Entrance Fees	31
	Manual Fee Collection	32
	Mechanical Methods of Fee Collection	33
	Advantages and Disadvantages of Manual	
	and Mechanical Systems	35
	· • • • • • • • • • • • • • • • • • • •	

		Page
IV. THE ENTRANCE FEE IN THE MICHIGAN STATE PASYSTEM		37 37 39 43 44 44
V. "PROS" AND "CONS" OF THE ENTRANCE FEE. Rationale for the Entrance Fee Wirth-Lieber Theories Methods of Financing Contemporary Theories Texas Study Cost Per Visitor in Michigan State Parks Economic Benefits of Parks Encourage Private Development Encourage County and Township Parks Rationale Against the Entrance Fee Public Acceptance Cost and Benefits General Welfare Liability Test in Court Claims Special Taxes and Funds		50 50 50 51 53 60 61 65 69 70 71 72 75 79 80
VI. RECOMMENDATIONS	• •	83
APPENDIX	• •	87
BIBLIOGRAPHY	• •	102

LIST OF APPENDICES

Table		Page
	Questionnaire Cover Letter	8 7 88
ī.	Population Trends of the State of Michigan.	89
II.	Class of Workers in the State of Michigan . Age by Five Year Groups for the State of	90
IV.	Michigan	91
	the State of Michigan	92
٧.	Privately Owned Motor Vehicle Registrations in the United States	93
VI.	Total Attendance to Michigan State Parks from 1952 to 1961	94
VII.	Revenue From Operations in Michigan State Parks	95
VIII.	Expenditures by Division of Parks and	
	Recreation	96
IX.	Attendance to Michigan State Parks (1960 and 1961) and Results of the Entrance	^ 5
х.	Fee on Attendance and Revenue Derived Summary of Questionnaire Returns	97 100
	•	

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CHAPTER I

INTRODUCTION

Most state agencies today, are faced with the problem of finding additional sources of revenue with which to meet the ever increasing demands on their resources. Park and recreation departments are often among the least powerful of the departments in competition for these funds. Parks do not have the special interest that organizations established to fight heart disease or polic have, but with an increase in leisure time they are becoming more of a public concern. As far as a revenue tax is concerned the parks and recreation departments are at somewhat of a disadvantage, as many of the older, established agencies have claimed most of the best tax sources. For instance, auto license and gasoline taxes are earmarked for public highway purposes; some of the state income taxes are for school purposes; game and fish monies are used for game and fish purposes.

State parks and recreation departments would find it difficult to establish claims on these taxes. This is not necessarily the case in every state, Washington and Oregon get money from drivers' license fees for park purposes, and Wisconsin has a \$50 million land acquisition program financed by a cigarette tax, and there are other exceptions. From this a general idea of the relative "ability" of the state parks and recreation departments to obtain funds may be derived.

Most state park agencies are not receiving adequate funds through legislative appropriations to meet the increasing demand for these recreation areas and parks. If state park systems are to have adequate funds for capital improvements, other alternatives of deriving revenue must be investigated, among these alternatives is the entrance fee.

Nature of the Problem

The rationale for charging entrance fees to state parks has been a subject which has been approached in different ways and has had several different opinions advanced both for and against such a charge.

If a fee is charged for entering a state park, there must be an objective in mind for such a fee. The purpose of the fee should not be to discourage or limit park users, but if a charge is instituted the objective should be to derive a net profit.

A fee may be desirable in one state and possibly not desirable in another state, depending on the degree of development of the state parks, the type of state parks, the demand for state parks, the legislative appropriations for these parks, the location of the state parks and the type of facilities provided within these areas.

An exploration of the entrance fee in Michigan State

Parks will constitute the basis for this thesis, with the

realization that the conclusions and ideas developed may not

relate to other states and their state park agencies. The

quality, type and number of private recreational developments must also be considered.

Importance of the Study

Several problems have arisen with the concept of charging a state park entrance fee. Capital derived from this fee may be spent for operation, maintenance, administration or capital investments. There have been many different opinions as to where the revenue should be used to best benefit the park users.

The state has a definite responsibility to provide state parks and recreation areas to its citizens. This has a direct relationship to the decision to charge for entering. Special facilities in parks and user oriented parks that may be established to alleviate a local recreation situation, may possibly be beyond the responsibility of the state to provide. If this is true the entrance fee revenue could be used to establish areas, as a supplement to the states responsibility.

An entrance fee may not be the best solution to provide additional revenue for the state park agency.

Problems often arise from entrance fees. The opposing arguments may be strong enough to offset any benefits derived from the use of fees.

This study will investigate the "pros" and "cons" of entrance fees and indicate the responsibility state park agencies have to provide areas and facilities of state significance, and also decide what value entrance fees have in relation to the provision of supplementary facilities and areas.

Objective

The objective of this study is to explore the rationale for the existing entrance fee in the Michigan State Park system, and to formulate and obtain conclusions relating to the responsibility of the Michigan Division of Parks and Recreation to provide recreational facilities for the general public. The revenue producing abilities of the entrance fee will also be investigated. A justification for the expenditure of public funds for parks and recreation, as contributing to the public welfare, will also be explored.

Scope

This study will deal with the investigation of the entrance fee for Michigan State Parks. The favorable points of the entrance fee will be discussed and explored as well as the arguments against the use of it.

It is hoped that the principles developed by the author will be applicable to other situations as well as to the state parks of Michigan. Facts and figures have been used from Michigan to substantiate and uphold the ideas formulated in this study, but the concepts may be applicable to other states.

Method of Approach

Examination of available reference materials, interviews with persons familiar with the problems of an entrance fee and correspondence with various states having a state park entrance fee have been employed in this study.

CHAPTER II

FACTORS AFFECTING PARK DEMAND

The Purpose of Parks

A park is defined as an area of land or water set aside for recreational use. In this thesis a park will relate to an area owned and operated by the State of Michigan as a state park or a state recreation area, unless specifically stated otherwise. Although the specific purposes of parks may vary, they all are established to provide a means for the relaxation and refreshment of the mind and body. Parks are a service provided to the public. A park can be justified from an economic, social, educational, or inspirational aspect. The basic assumption is that the use will be constructive and wholesome, and of general acceptance to the public.

The purpose of many state park agencies, in the past, has been to establish park areas of less than national significance, but of state-wide significance. This concept may now be changing with an increase in potential park users and population concentrations. Parks of less than state-wide significance may be justifiable if they perform a service to the people and are in demand.

Classification of Parks

There have been many park classifications. The system that is used in this study was developed by Marion Clawson.

¹ Marion Clawson, The Dynamics of Park Demand, (New Work 36, New York: Park, Recreation and Open Space Project of the Tri-State New York Metropolitan Region, R.P.A. Bulletin 94; 1960), page 28.

When using this classification it must be realized that there is an overlapping of the categories used in actual practice, but a basis has to be developed for use in this thesis. Dr. Clawson classifies parks in three categories: (1) user-oriented, (2) intermediate and (3) resource-oriented.

The user-oriented park is established as an outlet for areas of population concentration and is often developed with active or participant type of recreational facilities. Some natural features may be artificially introduced to give an aesthetically pleasing appearance. These parks are often located near areas of population concentration and are usually developed with man-made facilities.

Intermediate parks are a combination of user-oriented and resource-oriented areas. These parks are usually endowed with some interesting and beautiful natural qualities, and often have some type of active recreational facilities integrated into the park scheme. They are usually within a few hours drive of heavily populated areas.

The resource-oriented park is usually established because of some outstanding natural, historical, geological, scenic or archeological value of wide significance, which in itself will make the park unique and interesting. These areas may be heavily used, but are significant mainly for the values previously mentioned. These parks may not necessarily be near areas of population concentration, but are found where the resources naturally occur.

Changing Concepts in Parks in the United States

Colonial history in the United States shows very little emphasis on recreation. As parks began to develop in the United States, this early attitude toward recreation was still prevalent. The first parks such as the Boston Commons established in 1634, the Public Gardens established by James Ogelthorpe in Savannah, Georgia, and the public squares designated in Philadelphia, by William Penn all show the early attitude toward recreation. The parks of this period were not designed for active recreation, but rather for a passive "type" of recreation. Some early "areas" were set aside for the public that were of an active type, but probably could hardly have been called recreation areas in this period. Such an area may be exemplified by a law passed in Massachusetts Bay Colony in 1641. This law stated that all great ponds over ten acres would be open to the public forever for hunting and fishing.

The early attitudes toward recreation were slow to change and are exemplified very well through the development of parks in the United States. Many of the early parks contained few facilities for active recreation, as already mentioned. In the late 1800's and the early 1900's demand came for providing active recreational developments such as ball diamonds, playgrounds, and golf courses to be established in many of the previously established passive parks.

There was a growing movement during this period to use public areas for more active forms of recreation. As the num-

bers of this group grew, the early parks began to surrender their passive nature to playgrounds, athletic fields, city parks, and other active types of recreational developments.

Today, recreation is considered desirable, and by many people it is considered a necessity for a normal and productive life. Grade school pupils are taught constructive ways to use their free time.

The above discussion has been mainly concerned with parks of a local nature, established to serve an area of population concentration. Federal and state parks began to evelve at a later date and will now be explored.

National parks were not the result of public demand as were the development of the active type areas already described. The national parks were established by farsighted individuals to preserve for all time the outstanding examples of nature's work for future generations to enjoy. Hot Springs National Reservation was the first such area set aside in 1832. In 1864 the Yosemite Valley was granted to California by the Federal government, which became the first State Park in the United States. In 1872, the first national park was designated, which was Yellowstone. All of these areas were set aside because of outstanding natural features.

In 1891 the Forest Reserve Act was passed to set aside forest reserves on public domain. President Cleveland and President Theodore Roosevelt set aside 175 million acres of land under this act, out of the 181 million acres now in existence. In 1905 the United States Forest Service was or-

ganized to manage these lands, which now offer wide opportunities for wild-land recreational use. This recreational use was officially recognized with the passing of the Multiple Use Forestry Act in 1960. The policy of the Forest Service as established in 1905, is to manage their lands for the permanent good of all people, and not the temporary benefit of a few.

Yosemite, in California, as already mentioned, became the first state park in 1864. In 1885 Niagara Falls became a state park, followed in 1895 by Mackinaw Island in Michigan. The Palisades Interstate Park of New York and New Jersey was also formed in 1895. Up until 1920 only twenty states had any state parks at all.

Steve Mather and the Secretary of the Interior, John Payne, saw a need for state parks to supplement the national parks. Many lands of less than national significance were being constantly proposed by various groups to be considered as future national park sites. Many of these areas did not meet the standards that were established for national park sites. As a result, many proposed sites were rejected by the National Park Service. Many of these rejected areas were unique and of interest to the public. They could be established or considered as potential parks of a lesser than national significance.²

In 1921, largely through the efforts of Steve Mather, a

Robert Shankland, Steve Mather of the National Parks, (New York: Published by Alfred A. Knoph; Second Edition; 1954) p. 185

conference was held at Des Moines, Iowa to promote the development of state parks. Over 200 delegates attended from twenty-five states. The National Conference on State Parks was established as a result of this conference. The slogan of the conference was to have, "A State Park Every Hundred Miles". The National Park Service intended to cooperate by (1) providing a clearing-house for state park information; (2) supplying fund raising publicity; (3) spotting state parks on National Park Service maps; (4) advising on administrative problems; (5) assisting in the procurement of federal lands for state parks; (6) assisting in timber preservation.

State parks were also established through the efforts of other agencies and persons. One such organization that was very successful was the Save-the-Redwoods League. The League wanted to acquire the best redwood acreage in Northern California to preserve the trees and incorporate them in a state park area.

As time has progressed, state parks have expanded and grown in number. State parks have been established on lands that have been given as gifts to the state, that have been purchased, that have reverted to the state through tax delinquency, that have been traded, and that have been donated by the Federal government.

^{3&}lt;sub>Ibid</sub>.

State parks and particularly the state parks of Michigan, are the chief concern of this thesis, so they will be explored more carefully.

Suggested criteria for state parks have been proposed by the National Conference on State Parks. States are usually comprised of areas having scenic qualities, scientific value, historical significance, archeological value, or other recreational significance. State parks should conserve examples of these outstanding natural and cultural resources for the inspiration and benefit of the public. They should provide a non-urban type of recreational opportunities, that are normally beyond the responsibility of the local political subdivisions. Commercial exploitation should be prohibited from these areas.

Factors Affecting Demand for Recreational Facilities

Population

Michigan's total population in 1960 was 7,823,194, ranking seventh in population of the 50 states. Of this total figure 305,953 persons live in the Upper Peninsula of Michigan which is approximately 3.9% of the total population of the state. Approximately 29% of Michigan's land area is in the Upper Peninsula. Much of this land is still open in forests and farms. Another figure of relative importance are the

U.S. Department of Interior, <u>Guideline</u>, (National Conference on State Parks in cooperation with the National Park Service), Volume I, Section 2, page 1.

statistics for Wayne, Macomb, and Oakland counties which comprise 4% of the land area of Michigan and have 48% of the population of the state.⁵

Michigan's population has increased 22.8% in the past ten years. This increase in the population has brought an increase in the number of potential park users in Michigan.

As already mentioned, the population of Michigan is concentrated largely in one area around Detroit. There are 92,000 male and female workers employed in agriculture or related fields in Michigan and 2,600,000 in non-agricultural jobs. A large number of the non-agricultural job works are wage and salary workers employed by the industries and related service establishments in the Detroit area. Many of these jobs are indoor jobs of a routine nature. Often these persons have little opportunity to enjoy natural or resource-oriented recreational facilities. These persons, relatively, have a lesser opportunity to make use of state parks. As a result, the demand on local active type recreational facilities is quite heavy. The state parks are often used by many of these people on weekends and also on vacation trips.

These facts show that a large percentage of Michigan's population is in one concentrated area in the Detroit vicinity. Parks of state caliber are relatively limited and in some areas close to non-existent. As these people are employed in

Ibid.

U.S. Bureau of the Census, <u>Eighteenth Census of the United States</u>; 1960. <u>Number of Inhabitants</u>, page 14.

a routine type of indoorwork for the most part, they are demanding relief from the daily routine and urban scene. These workers are removed from regular contact with the natural environment. Michigan has 183,376 acres of state parks and recreation land, and of this total only 21,567 acres are found in Wayne, Macomb and Oakland counties. The important comparison here is that while these three counties have 48% of the state's population, they only have 12% of the total state park area.

It is obvious that there is a need for a better distribution of state park and recreation areas. Additional state
parks with varying types of recreation should be established
near the population concentration. This is very important for
two reasons. The first reason is that these people should
have access to recreational facilities on the state level, as
the rest of the citizens of Michigan do. Second, physical
damage may be done to park lands by excessive use, especially
if inappropriate facilities or activities are installed and
carried on in these areas. 7

Michigan's population is not only increasing; it is also experiencing a greater diversification of age classes, all requiring their own recreational needs. The number of youths, ages up to 14 years is comprising a greater segment of the

⁷From information obtained at the Office of the Division of Parks and Recreation, Michigan Department of Conservation.

total population. This group is relatively unproductive and demands a higher use of recreational facilities. They demand a more active type of recreation, such as hicking, swimming, organized sports and similar activities.

Another group that is taking a higher percentage of the total population structure is the older retired persons. This group has different types of recreational needs and desires, than do the younger segments of the population. With a prolonged life expectancy, due to advanced medical science, this group needs to be given more consideration than in the past. More facilities have to be provided to handle the various age requirements when planning for future expansion.

On table III of the appendix, the increases and decreases in age groups may be seen. The male and female segments of the population both increased up to the age of 14 years, except the 10 to 14 year old class of the females that declined by four tenths of one percent. Also, the number of persons 50 years and over has increased in both the male and female groups, compared to the 1930 statistics. These statistics substantiate the increasing diversity of age groups in the Michigan population structure. By the year 2000 the population of the United States is expected to reach 350,477,000 persons with 73.4% living in urban areas and 26.6% living in

⁸ U.S. Bureau of the Census, <u>Eighteenth Census of the United States</u>; 1960 - Number of Inhabitants.

rural areas, compared to a population now of approximately 180,000,000 with 63% of the persons residing in urban areas and 37% in rural areas.

Transportation

methods of transportation. In the Early American Colonies, most of the travel was by foot or horse. In the Nineteenth Century, steamboats, railroads, and the horse and buggy facilitated faster and more comfortable transportation. The average man was not affected by rail and steamboat travel. They were still too expensive in terms of limited income by this class. Their effect on the political life and economy of the nation was great, but their impact on outdoor recreation was modest. 10

By 1922 the automobile provided one half of the total personal transportation of the country. Detroit, Michigan became the largest automobile manufacturing center in the world. The average per capita travel in 1922 was 1,600 miles with 86% by automobile. In 1956 the travel per capita was 5,080 miles with 87% by automobile. 11

It is hard to conceive the impact of the automobile and limited access highways on the recreational demand of state

⁹ Outdoor Recreational Resources Review Commission, Projections to the Years 1976 and 2000 Population (Washington 25, D.C., United States Government Printing Office, January, 1962), pages 5 and 8.

¹⁰ Marion Clawson, <u>The Dynamics of Park Demand</u>, (New York 36, New York: Park, Recreation and Open Space Project of the Tri-State New York Metropolitan Region, R.P.A. Bulletin 94; 1960)_{11 Page 23}.

park lands in Michigan. The number of passenger cars projected for 1975 is an increase of nearly 80% above the number registered for 1959. 12 This new degree of mobility will probably increase the pressure on recreation sites that are now considered remote. It will probably have less significance on the demand for user oriented sites adjacent to metropolitan areas or other parks of strategic location, which are used for daily or weekend use and are within relatively short distance of these areas.

The largest percentage of Michigan State Park users are from the three-county Detroit area. Of the total number of park users 41.5% came from this region. The reason most persons visit a Michigan State Park is "because it is closest to home". Other reasons frequently cited for visiting a particular park are: 13

- 1. Possibility for camping near a body of water.
- 2. Less crowded.
- 3. Cleanliness of park.
- 4. Safety (children can play with less necessity for supervision.)

Air travel may become more important in the future than it is now. It is hard to predict what the resulting increase

¹² Outdoor Recreation Resources Review Commission, Outdoor Recreation for America, a report prepared by the Outdoor Recreation Resources Review Commission, (Washington 25, D.C.: United States Government Printing Office, January, 1962), page 31.

¹³ Thomas Dahle, Michigan State Park Users Survey, (East Lansing, Michigan: College of Business and Public Relations, M.S.U., 1956), pp. 7 & 8.

of air travel, both commercial and private, will have on the demand for state park use in Michigan. Possibly it will allow easier access and use of outdoor recreational land in the Upper Peninsula to persons in metropolitan areas. The <u>Outdoor Recreation Resources Review Commission</u> has stated that time is the greatest limiting factor in outdoor recreational use, followed by disposable income for recreation. The airplane would shorten time of travel considerably, but when relating to the median income of the family of Michigan, it would be beyond the present means of these families to rent an airplane for a weekend.

Other methods of travel in the future may also affect recreational opportunities and park use. Two factors have to be considered which are the time and the cost of travel. As time and cost of travel diminish, many areas that are considered hard to reach today may become less so in the future. Vehicles that ride on a cushion of air a short distance above the ground or water, private airplanes or other modes of transportation may change the present time and cost of travel in the future. The changes may be even more radical than the changes of the past 60 years.

Increased Incomes

The second major factor affecting outdoor recreation is the amount of income per year. Outdoor recreation, such as camping, hiking, swimming, and the use of other park facilities, is one of the less expensive forms of recreation. The amount of disposable income per family has been estimated at \$1,906 for 1960 and has been estimated as being \$4,104 by the year 2000. 14

One factor that is important to consider is that there will be more competition for the disposable income, which makes this figure less accurate to predict recreational demand. An example is comparing today with a period 30 years ago. Today money is spent on such items as television, electric knife sharpeners for the housewife, more household appliances, and many other items that have entered the market in competition for the dollar. This may also be projected into the future; items considered luxuries today may be considered necessities in the future.

Overall it has been predicted that the total amount of money spent for outdoor recreation will increase. In 1954 approximately thirty billion dollars was spent for outdoor recreation and forty billion was spent in 1960. 15

The median income of families in the state of Michigan has increased significantly from 1949 to 1959. The median income for 1949 was \$3,588, and for 1959 was \$6,256. Many more families are now in the \$5,000 a year income range and fewer families are in the \$4,000 a year and lower income bracket than in 1949. 16

Outdoor Recreation Resources Review Commission, Projections to the Years 1976 and 2000: Economic Growth, Population, Labor Force, Leisure and Transportation.

¹⁵ Ibid.

¹⁶U.S. Bureau of the Census, <u>Eighteenth Census of the United States</u>; 1960.

In a recent issue of <u>Time</u> Magazine the following article was printed:

During the 1950's the number of U.S. agricultural works dropped by 37% or from 7,047,000 to 4,415,000 while manufacturing employees jumped by 21% from 15,306,000 to 18,535,000.

During the same period, the whole structure of United States employment changed. The number of workers in professional and related services soared by 58%, those involved in finances and real estate increased by 41%, and those in public administration by 27%. At the same time, the number of workers in coal mining dropped by 56%, those in railroad and railway by 31%, and those in textile product industries by 21%.

For experienced men, the highest median wage was \$7,547 in the legal and engineering and other professional services. Following closely were median earnings of \$6,521 in petroleum and coal products, \$6,373 in communications and \$6,018 in aircraft and parts manufacturing. For women the highest median wage was in railroads and railway express with \$4,435, while petroleum and coal products followed with \$4,111 and motor vehicle and equipment industry offered \$4,083.

Leisure Time

Today mass production has become very important. Each person has his own job that relates to the total good of all. Specialization and the pride of self-accomplishment have been eliminated for higher production rates.

Some advantages have been derived from mass production, as a result less expensive items and modern technical inno-vations have affected our living standards. Thus the average person is better able to spare time and money both for spare time activities.

¹⁷ Statistics, "Time", December 28, 1962, page 18.

The average work week is declining, which will affect the demand for recreational facilities. In 1970 the average work week will be 35.4 hours and by 2000 it will be 30.7 hours. (Estimation) 18

The use of this leisure time may affect different types of recreational areas. For example, if the working day was made shorter the demand for local, city or county recreation areas would most likely increase. If a shorter work week was instituted allowing a three-day weekend, the demand for state parks would probably increase. A longer annual vacation would in all probability increase tourism and have a higher demand on national forest recreation areas or on national parks.

A major development since World War II has been an increase in paid annual vacations. In 1960 the average annual paid vacations was two weeks. By the year 2000 the estimated annual paid vacation will be three and nine tenths weeks. 19

With the shortening of the work week there may be a tendency for the worker to acquire two jobs. If this happens it will certainly have a negative effect on the demand for outdoor recreation, as time will be limited for leisure. If a worker's salary will be diminished by a shorter work week, or his individual concept favors money income over leisure time, workers would probably forego the leisure time in favor

¹⁸ Outdoor Recreation Resources Review Commission, Projections to the Years 1976 and 2000: Economic Growth, Population, Labor Force, Leisure, and Transportation, A report prepared by the Outdoor Recreation Resources Review Commission (Washington 25, D.C.: United States Government Printing Office, January, 1962), page 68.

of a higher income. The goods made possible for his purchase by the higher income may result in a sacrifice of leisure time.

Shorter work weeks may become a necessity as many people are out of jobs, partly because of automation. Work sharing may become necessary and standard.

Another factor of importance is the increasing number of people entering into the work force at an older age. To-day, child labor laws prevent children from starting at many jobs until they are at least 16 years of age, and many start later. There has also been a rise in the number of retired persons. Most people past the age of 65 still have sufficient income to support themselves and usually have enough disposable income to spend a portion on recreation. Such persons usually derive funds from social security, retirement plans of various sorts, life insurance policies, and part-time jobs. The housewife can also allow more time for recreation due to modern innovations which make her chores easier.

The amount of income usually dictates to some extent the type of recreational pursuits the family will participate in. The most common outdoor recreational activities are walking, swimming and picnicking. These are all relatively lower cost activities. Such activities as boating, water skiing, golf, camping, and others have relatively

Outdoor Recreation Resources Review Commission, Outdoor Recreation for America, A report prepared by the Outdoor Recreation Resources Review Commission, (Washington 25, D.C.: United States Government Printing Office, January 1962), page 3

higher costs for equipment, which often limits participation.

Advertising

Advertising has had an influence on recreational demands. Magazines advertise recreational opportunities and supply travel literature. Several magazines are circulated that stimulate interest to various groups, such as photography, hunting and fishing, boating, archery and other groups.

Books and nature guides help persons gain higher intellectual experiences and enjoyment from their outdoor recreational adventures. Road maps have state parks, campgrounds, historic areas and other areas offering outdoor recreational opportunities clearly marked. All of these have contributed to the changing attitudes and encouragement of the demands for outdoor recreation.

CHAPTER III

CLASSIFICATION OF

REVENUE-PRODUCING FACILITIES

AND EXPERIENCE IN OTHER STATES

CLASSIFICATION OF REVENUE-PRODUCING FACILITIES

Parks, a classification system should be established to distinguish the entrance fee from various other fees that may be incurred in state parks.

The following classifications have resulted from a recognition of the need for standards of classification to clarify further research. The following classification was prepared by the Revenue-Producing Facilities Committee of the American Institute of Park Executives in 1962.²¹

Admission Fees

Charges made to enter a building, structure, or natural chamber are designated as admission fees. These locations usually offer an exhibit, show, ceremony, performance, demonstration, or special entertainment. Entry and exit is normally controlled and attendance is regulated.

Examples are:

Arena Grandstand Museum
Aquarium Historical building Music Temple
Cavern Mine Observation Tower
Flower Conservatory Monument Observatory

American Institute of Park Executives, "Classification of Revenue-Producing Facilities", (Oglebay Park, Wheeling, West Virginia, 1962), Mimeographed.

Rental Fees

Payment made for the privilege of exclusive use of tangible property of any kind is considered a rental fee. This fee gives the patron the right of enjoying all advantages derivable from the use of the property without consuming, destroying, or injuring it in any way. Examples are:

Archery Equipment Golf Cart Skis Golf Clubs Steam Bath Bicycle Boat Horse Stroller Lodge Tennis Racket Cabin Canoe Parking Toboggan Carriage Party Room Wheel Chair Pay Toilet Checking Facility Fishing Equipment Public Address Equipment

User Fees

When a charge is made for the use of a facility, participation in an activity, or as a fare for a controlled ride it is referred to as a user fee. The patron usually enjoys the privilege simultaneously with others. It is not an exclusive right as in the case of the rental fee. Following are some examples:

Archery Range Golf Course Ski Lift Bathing Pool Helicopter Tennis Court Boat Launch Miniature Train Toboggan Slide Dance Picnic Area Tractor Train Pony Ride Driving Range Fishing Pond Sightseeing Bus

Sales Revenues

All revenues obtained from the operation of refectories, stores, concessions, restaurants, etc., from the sale of merchandise or other property is included in this category. Unconditional ownership of the item must pass from the seller to the buyer with each sale. Examples of this are as follows:

Package food and drink

Box Merchandise
Candy
Cigarettes and Tobacco
Fruit
Groceries
Gum
Meat and Meat Products
Popcorn and Potato Chips
Soft Drinks

Food and drink service

Banquets
Catering
Dining Room
Snack Bar
Soda Fountain

Merchandise

Archery Supplies
Photo Supplies
Souvenirs
Fishing Supplies

Picnic Supplies
Tennis Supplies
Golf Supplies
Recreation Supplies

License and Permit Fees

For this classification the words license and permit have been considered synonymous. A license is a written acknowledgement of consent to do some lawful thing without command; it grants a liberty or privilege and professes to tolerate all legal actions. It is usually issued by a division of the government. A license ordinarily involves permission to perform an action. It seldom grants authority to occupy space or use property.

Camping Permit Fishing License
Dumping Permit Hunting License
Construction (Easement) Trailer License

Special Service Fees

The charges made for supplying extraordinary articles, commodities, activities, or services as an accommodation to the public are considered special service fees. Such accommodations must be unusual in character and not normally considered a required governmental service. Examples are as follows:

Caddy camp
Enrollment of group membership
Enter or franchise of teams in competitive activity
Materials for arts and crafts works
Social activities
Summer camp
Recreation specialists-charges for personal services

Instructors for organized classes:

Archery
Arts and Crafts
Bait Casting
Boating and canoeing
Golf
Skating
Skiing
Swimming and Diving
Tennis
Track and Field

Entrance Fees

Fees charged to enter a large park, botanical garden, zoological garden or other developed recreational area are considered entrance fees. These areas are usually well defined but not necessarily enclosed. The entrance fee is associated with the patron's first contact with the park. The park may contain additional facilities or activities for which fees are charged. Examples are:

Botanical Garden Historic Site Wildlife Preserve Fish Preserve Park Zoological Garden Game Preserve Parkway Fair Grounds

Entrance fees are required in thirteen states for park use. There may also be two more states included in this list, but they did not answer the survey prepared by the author and will not be included. An entrance fee will include parking fees, vehicle entrance fee, and charges for park entrance per person. All these fees relate to the entrance of a park, and will be grouped as such for ease of

discussion in this thesis.

SURVEY

A questionnaire was designed and distributed to state park agencies reporting a revenue from an entrance fee, as a portion of this thesis. The information derived from the questionnaire was significant in the formation of direct discussions and indirectly as a basis for other discussions.

The purpose of the questionnaire was to provide related information on the various states that have incorporated an entrance fee in their state park systems.

Eight different points were answered in the questionnaire. They are as follows:

- 1) A determination of the exact number of states having an entrance fee and their location.²²
- 2) The number of years each state has had an entrance fee.
- 3) The purposes for which the revenue derived from the entrance fee was used.
- 4) The types of state parks the entrance fee was collected in.
- 5) The amount of the entrance fee charged in each state.
- 6) The legislative appropriations for state park purposes in each state.

²² California and Maryland did not answer the questionnaire so they will not be included in this discussion.

- 7) A determination of the effect of the entrance fee on legislative appropriations in each state.
- 8) The gross and net returns from the entrance fee in each state.

Preparation of the Questionnaire

The first step in the preparation of the questionnaire was to determine the questions that needed to be answered. These have already been listed. The next step was to determine which states should receive the questionnaire. It was realized that not all fifty states had an entrance fee. As a result, the author used the 1961 edition of State Park Statistics. From this edition the states that had reported an income from an entrance fee were listed. The questionnaire was sent only to these states. This deducted considerably from the mailing list, as all fifty states would have been contacted if this method had not been employed.

The questionnaire and a cover letter were prepared and then sent to the various states on the prepared list.

(Appendix) Two states did not answer. They were California and Maryland.

The questions were very brief, requiring only short answers. It was hoped that the response would be larger by employing this technique. (See pages 87 and 88.)

²³ National Park Service, State Park Statistics, (Washington 25, D.C., 1962), pp. 15-17.

Results

The states which have entrance fees are listed below and also the corresponding number of years each state has had an entrance fee. (Table X)

<u>State</u>	Number of Years
Connecticut Florida Indiana Massachusetts Minnesota New Hampshire New Jersey New York Rhode Island Vermont Virginia Wisconsin	17 22 43 20 9 Not Stated 27 33 Not Stated Not Stated
Michigan	Average = 20 years Mean = 21 years

Purpose Fee Was Used For

The revenue derived from the entrance fee was used primarily for maintenance followed in order by administration, improvements, land acquisition and in two states the revenues were deposited in the state treasury.

State	<u>Use</u>
Connecticut	Not Stated
Florida	50% Maintenance & 50% Improvements
Indiana	50% Administration & 50% Maintenance
Massachusetts	All fees go to general fund
Minnesota	54% Maintenance, 23% Administration & 23% Improvements
New Hampshire	Not Stated
New Jersey	All fees go to general fund
New York	Land Acquisition
Rhode Island	Not Stated
Vermont	Not Stated
Virginia	Not Stated
Wisconsin	50% Administration & 50% Maintenance

Areas Entrance Fee Collected In

Generally the entrance fee was collected in all areas where it was considered feasible to enforce the fee and produce a profit.

<u>State</u>	Collection Areas
Connecticut	Wherever feasible
Florida	All areas where feasible
Ind ia na	All parks
Massachusetts	All day use areas
Minnesota	All areas over 50 acres
New Hampshire	Not Stated
New Jersey	All parks where feasible
New York	All parks
Rhode Island	At one state beach
Vermont	Not Stated
Virginia	All parks
Wisconsin	State forest and recreation areas

Charge for State Park Entrance

State	Charge	Type
Connecticut	50¢ to \$1.00 depends on area	vehicle entrance
Florida	50% daily, \$2.25	vehicle entrance
Indiana	Not stated	per person
Massachusetts	\$1 daily, \$10 annual	vehicle entrance
Minnesota	50¢ daily, \$2 annual	
New Hampshire	25¢	per person
New Jersey	25% and $25%$	per person and per car
New York	50¢	per car
Rhode Island	50¢ daily and \$5.00 annual	per person
Vermont	25¢	per adult
Virginia	30¢	per car for parking
Wisconsin	50¢ daily, and \$2.00 annual	vehicle entrance

The revenue produced by the entrance fee did not seem to affect legislative appropriations for park purposes in most of the states questioned. This would be in keeping with the philosophy that the purpose of the entrance fee is to produce additional revenues beyond the legislative appropriations.

The reason for the entrance fee is to produce additional revenues beyond legislative appropriations. If appropriations were producing enough revenue, additional revenue sources would not be required.

Both New Jersey and Massachusetts reported that their ability to produce revenue and deposit this income in the general fund had some bearing on legislative appropriations. Legislative Appropriations and Entrance Fee Revenues

State	Gross Revenue	Net Revenue	<u>Appropriations</u>
Connecticut Florida Indiana Massachusetts Minnesota	\$ 331,092.55 146,231.00 494,775.10 119,808.75 439,100.00	\$64 , 800.00	\$ 4,722,900.00 1,028,800.00 Nothing 805,700.00 147,333.00
New Hampshire New Jersey New York Rhode Island Vermont	63,791.00 1,034,497.00 34,865.56		13, <u>500,0</u> 00.00 968,467.00
Virginia Wisconsin	Not stated 37,522.80 Not stated		305,135.00 200,000.00
averag	e = 300,187.08	average	= 2,709,791.80

THE METHODS OF COLLECTING ENTRANCE FEES

Charging for the use of developed recreational facilities is becoming more commonly accepted now than it was in the past. Reasons for charging have already been discussed in the previous chapter. First, it has to be decided if a charge is feasible, necessary, and will be instituted in the park system. Second, the type of collection method has to be decided upon.

The reason for charging an entrance fee is to bring in revenue for the park system. With this in mind, a system of

collection has to be developed that will keep costs to a minimum, and yet be acceptable to the public.

There are many methods of collecting the entrance fee.

To inventory the various methods that may be used, the United States Forest Service bulletin, Charging for Use of National Forest Recreation Areas, will be used as a basis. 24

There are two general classes of methods of collecting entrance fees; they are manual and mechanical.

Manual Fee Collection

Manual methods of fee collection have been used in various park systems including local, state and national for several years.

The usual method of collecting a fee by the manual method involves the stationing of a park attendant at the entrance to the park or recreation area, to collect the fee as the user passes and in return for the fee, he will issue a permit. In areas where there is more than one access road, vehicles without permits are stopped by the attendant, who then issues the required sticker. This method is cumbersome and should be avoided, if possible, by having only one entrance road.

According to the United States Forest Service study, the manual method of collection is quite expensive.

²⁴United States Department of Agriculture, United States Forest Service, Charging for Use of National Forest Recreation Areas, 1961.

Pinecrest Campground, on the Stanislous National Forest in California, was selected for a test. This campground is in a heavily used area and has 194 family camp units with a single entrance and exit. The campground had been fully rehabilitated before the 1961 season.

October 1st. The user fee was set at one dollar per camp party.

The entrance gate was manned for 1600 man hours by two attendants during the 156 day season. Each man worked an eight-hour day and a 40-hour week.

Two men were necessary to provide up to a 12-hour day service, seven days a week. The attendants estimated they spent 50% of their time actually collecting, and the rest of the time answering questions or giving out information. Collection cost including the salaries of the attendants came to \$3.489.

Total use during this period amounted to 74,000 visitor days made up of 4,921 camper parties. The net fee collection after refunds was \$14,844. Of the 4,921 campers only 80 refunds were requested.

An old office building was moved into place to serve as housing for the attendants. The estimated cost of this building was \$2,000.

Mechanical Methods of Fee Collection

If charges are to be made for parks or recreational areas, they should be as low as possible without causing in-

convenience to the public. Mechanical methods of collection that are simple to operate and that are reasonably free of mechanical troubles have been used in an attempt to test their feasibility.

Parking meters

The Forest Service study found the type of parking meter, used by most cities, to have serious drawbacks and eliminated them from use at this time.

The parking meters were found to be very costly to purchase and install when one such meter would have to be placed at every park site. The maintenance cost per unit is high and the useful life is short.

Parking meters would have to be specially made and calibrated with a 24-hour dial. As there are not any machines made with the requirements needed, a special machine would have to be developed. Also, the machine would have to be designed to take coins in a larger denomination than a tencent piece.

Coin Operated Gates

These may be designed to operate on coins or an impressed card for seasonal use. The automatic gate must be able to keep a record of all cars entering and leaving the park, and to lock automatically and to reject coins during the time the area is full to capacity. Electricity is also necessary, so nearby power must be available. The Forest Service study showed the cost of operation, including the rental cost of the gate at \$100 per month, was approximately 14% of the gross revenue.

Ticket Vending Machines

There are many ticket vending devices on the market, but the one found most adaptable was a ticket vending machine adapted for the use of fifty-cent pieces. This could be quite easily adapted to Michigan where the charge is 50¢ for daily use. This would eliminate the sale of annual stickers at park entrances and they would have to be sold elsewhere.

The user would put his coins in the machine and his ticket is dispensed which in turn would allow him to use the park. A problem is that a person may not have correct change and an attendant may have to be nearby to supply change.

Advantages and Disadvantages of Manual and Mechanical Systems

Manual systems are very good from the standpoint of providing personnel who are readily available to give information. An officer present gives the campers a feeling of security and his presence maintains order in the area.

A current record may be kept of all park users, and good public relations can result from a well-trained, properly attired officer on duty.

This system also has some disadvantages. It is the most costly system to operate. Some people resent seeing paid attendants with apparently nothing to do but collect their money. Also auditing records and receipts becomes time consuming. Refunding becomes a problem whereas with a mechanical method the user has no opportunity for refunds.

Automatic gates are readily adaptable to day use areas such as beaches and picnic sites where the amount of "in and

out" traffic is at a minimum, but not so well adapted to camp sites where the user may want to enter or leave the park several times a day. Collection costs are quite low and the problem of refunding is not present. The attendants have a chance to do other work in addition to the collection job.

The automatic gate system also has several disadvantages. One disadvantage of great importance is the unreliability of these electrically operated systems during a thunder storm. Some people attempt to enter without paying and occasionally the gates get damaged by two cars trying to enter on one charge.

Ticket vending machines are the cheapest collection method according to the Forest Service study; less than 8% of the gross revenue was used for operation and cost of establishment. This system has an advantage over the gate system of collection as no electricity is needed for operation. Therefore, it may be used in areas remote from power. Auditing of funds collected is simple through serial numbered tickets. Refunds, here again, are eliminated and the attendant is free to do other work.

This device also has bad points. Public relations must be carried on, so a person or officer is still employed to watch over the area, to answer questions and for law enforcement. The camper must have or obtain correct change; if staying overnight, must pay each day.

CHAPTER IV

THE ENTRANCE FEE IN

THE MICHIGAN STATE PARK SYSTEM

The attendance at Michigan State Parks has shown a relative increase from 1956 to 1960. In 1961 after the entrance fee was instituted in the Michigan State Park System, attendance declined considerably. (Table VI Appendix) The total expenditures since 1956 have varied considerably and do not seem to relate to the increasing demand experienced from 1956 to 1960. (Table VIII Appendix) These figures show that there is little relationship between user demand and legislative appropriations for state park purposes. For a complete description of changes in attendance for each park, after the vehicle entrance fee had been installed see Table IX Appendix.

Dahle's Study

Michigan's State Park System is becoming increasingly crowded. During the 1956 calendar year, when Thomas Dahle's study was conducted, more than 17,000,000 persons used Michigan's State Parks and Recreational Areas. Many more persons who sought to use these areas were turned away because of a lack of facilities. It is also probable that many who wished to use the parks and recreation areas did not do so because of prior experience or knowledge of congested conditions.

The need for some means of alleviating the many problems arising from expanded park use and of providing adequate recreational facilities for Michigan citizens, as well as out-

of-state visitors, becomes more urgent each year.

In an attempt to provided some basis for action, a survey was conducted, under the sponsorship of the Parks and Recreation Division of the Michigan Department of Conservation and the Business Research Bureau of Michigan State University.

Questionnaires were filled voluntarily by over 3,800 park users in 31 state parks. A portion of Dahle's study shows the following:²⁵

Preferences on Financing of Park Expansions and Voluntary Respondents

Choice of	f suggested met	hod of	DAVI	ent			
1.	A daily charge A season stick Both methods	er	• •	• • •			12.5%
2. 3. 4.	Opposes any fe Raise camping Parking charge Charge more fo Others No answer	fee r out-	of-st	• • • • • • • • ate-us	ers .	• •	1.4% •2% 1.0%
					Total		100.0%

This survey also suggested that an annual charge if used, should be between \$1.75 and \$2.24, which was the median response.

²⁵ Thomas Dahle, Michigan State Park Users Survey, (East Lansing, Michigan: College of Business and Public Relations, Michigan State University, 1956) page 12.

The feelings of the persons filling out the questionnaire may be summarized as follows:

- 1. The charge must be such that no one is denied the use and enjoyment of the parks.
- 2. The charge should do more than bring in income to to support administration. The charge should be adequate to provide sufficient funds for improvement and expansion. Administration costs should be kept low.
- 3. Money derived from park fees should be used solely for park use.
- 4. Those who use the state parks should be willing to help support and improve them by means of a fee of some kind.
- 5. If a choice has to be made, a fee of some type would be more desirable than an increase in taxes.

In 1961 a vehicle entrance fee was instituted in Michigan State Parks. The charge is two dollars for an annual permit and fifty cents for a daily permit.

Attempts to Get More Revenue

Attempts were made to derive additional sources of revenue for capital developments in the Michigan State Park

System before the adoption of the vehicle entrance fee.

These attempts were as follows:

1. Request Appropriations

The Division of Parks and Recreation of the Michigan Department of Conservation originally had requested from the State Legislature an appropriation of \$30,000,000 for state park improvement and expansion. This appropriation was turned down by the Legislature.

2. Request \$30,000,000 Bond Issue

As a second alternative the Division of Parks and Recreation asked for a \$30,000,000 bond issue to be backed by the full faith and credit of the State. The State Legislature also rejected this request.

3. Request of \$10,000,000 Bond Issue

As a third alternative to derive revenue the entrance fee was adopted by Michigan State Park System in 1961. The annual charge for vehicle entrance was two dollars and the daily vehicle entrance charge was fifty cents. The fee was instituted as an alternative to gain additional sources of revenue to meet increasing demands on state parks and recreation areas. The revenue will be used for improvements and land acquisition. The bond issue was backed by revenues returned from the entrance fee. Public Act 149 of Michigan approved the bonding program in 1960. This was the first issue of its kind offered by the State.

As of January 1963, \$4,000,000 worth of bonds had been sold, of the original \$10,000,000 proposal. On March 1, 1963 another \$1,000,000 of bonds will be issued; this will be followed by another \$3,500,000 issue if approved by the State Legislature. This would bring the total bond sales to \$8,500,000. At the present rate of returns of revenues from the park entrance fee, these are all the bonds that may be

financed, unless revenues show an increase.

The State Legislature has been considering the possibility of allowing bonds to be reissued as they are redeemed so as to allow \$10,000,000 in bonds outstanding. To date, the maximum of the bonding program has been a total of \$10,000,000 The removal of this limitation would be of little significance unless entrance fee revenues increase enough to finance more than the present \$8,500,000 under consideration.

In 1961 \$108,000 was appropriated by the State Legislature to offset the costs of hiring additional personnel to administer and enforce the entrance fee. This was an appropriation for initial incurred costs and will not be appropriated annually as a line item, but rather in the general appropriation.

To illustrate how the money derived from the entrance fee is handled, Section 14 from the legislation pertaining to the entrance fee will be quoted.

(A) STATE PARK REVENUE BOND AND INTEREST REDEMPTION FUND

The Fiscal Agent shall set aside and transfer moneys from the Receiving Fund, as hereinafter provided, into a separate depositary account in a bank or trust company to be selected by such Fiscal Agent designated STATE PARK REVENUE BOND AND INTEREST REDEMPTION FUND (hereinafter referred to as the "Redemption Fund") sums proportionately sufficient to provide for the payment of the principal of and interest on the bonds payable therefrom as and when the same become due.

During each Fiscal Year, all available revenues in the Receiving Fund shall be deposited monthly into the Redemption Fund until such time as there has been accumulated in such fund sufficient moneys to provide for payment of all principal of and interest on the bonds (not capitalized) becoming due during the next succeeding Fiscal Year until such time the Bond Reserve Account shall be sufficient to meet all remaining maturities.

After meeting the foregoing requirements each Fiscal Year all remaining available revenues in the Receiving Fund. shall be deposited into the Redemption Fund monthly, or oftener, and set aside and held as a reserve for the payment of the principal of and interest on the bonds herein authorized, until such time as such reserve is equal to the maximum amount of principal of and interest on all bonds payable from State Park Revenues in any future twelve (12) month period. serve shall be carried on the books and records of the Fiscal Agent as the STATE PARK REVENUE BOND RESERVE ACCOUNT (hereinafter referred to as the "Bond Reserve"), and the moneys in said Reserve Account shall be used solely and only to pay the principal of and interest on the bonds payable from State Park Revenues for which current funds are not available or sufficient therefor. If any moneys from such Bond Reserve are used for such purpose, such moneys shall be replaced from the first moneys in the Receiving Fund available therefor after providing for current requirements.

Moneys in said Bond Reserve shall be finally applied to payment of the principal of and interest on the bonds lastmaturing.

(B) BOND CALL ACCOUNT

Out of the revenues remaining in the Receiving Fund, after provision has been made for the current requirements of the Redemption Fund, including the Bond Reserve, the Commission may, with the approval of the State Administrative Board of the State of Michigan, direct the Fiscal Agent to set aside in the Redemption Fund additional moneys for the purpose of calling bonds for redemption. Upon receipt of such direction and a resolution of the State Administrative Board approving such direction, the Fiscal Agent shall so set aside said moneys and carry them on his books and records as a BOND CALL ACCOUNT, to be used to call bonds for redemption in accordance with such direction.

(C) SURPLUS MONEYS

Any moneys remaining in the Receiving Fund, after setting aside the amounts in the Redemption Fund (including the Bond Reserve and Bond Call Account (if any) as hereinbefore required shall be deemed to be surplus

moneys and to the extent said moneys are in excess of a constant balance of \$100,000, shall be deposited quarterly by the Fiscal Agent upon the order of the Commission in the State Treasury in a special fund to be designated STATE PARK IMPROVEMENT FUND, and the moneys from time to time in such fund shall be used as required by law. 26

Supplemental Appropriations

Through the Appropriations Act of 1961, as already mentioned. \$108.000 was voted on and set aside by the State Legislature for hiring 108 additional employees for administering the entrance fee. In the future the \$108,000 will not be a line appropriation, but rather will be a part of the Conservation Department general fund appropriation. costs of manufacturing and installing signs advertising the entrance fee at state parks and state recreation areas, the cost of the brochures explaining the entrance fee and the cost of printing park entrance permits were allotted through revenues obtained from the bond proceeds. The total expenditure was \$15,000. Gate houses were established and built out of salvage materials by park employees, using funds appropriated for operation. It is difficult to estimate the true net profit from the entrance fee or overhead costs, as will be mentioned in the following paragraph. No money was set aside or appropriated for any additional transportation that might have been needed.

²⁶ Michigan Conservation Commission, State Park Revenue Bonds Series I, (Lansing, Michigan: Michigan Department of Conservation, 1961) page 32.

Cost of Collection

Another point of significance is the lack of ability of the Parks and Recreation Division of the Michigan Department of Conservation to provide accurate figures on the cost of administering and enforcing the entrance fee. It is difficult to construct time studies relating to the entrance fee, as collection attendants often have other jobs in addition to those pertaining to the entrance fee. For example, these employees may carry on public relations work by answering. questions, collecting garbage, doing maintenance work, collecting camping fees, policing park areas or a variety of other jobs in addition to the administration or enforcement of the entrance fee. Also, other undeterminable costs may arise such as the costs of sending notices to violators and serving warrants on violators if necessary. There is also the problem of liability to the state park agency that installs an entrance fee.

Also the costs of legal advice, architectural and consultant services, traffic studies, costs of printing and issuing bonds, interest on the bonds and other incidental costs have to be considered.

The gross return derived from the vehicle entrance fee in Michigan for the 1961 season was \$716,267. A net return was not calculated for the reasons previously mentioned.

Scheduled Improvements and Land Acquisition

The revenue derived from the entrance fee is being used to pay the principal and interest of the bonding program by

the procedure previously mentioned. The money derived from the bond issues is being used in a variety of parks for land acquisition and development. The projects that are listed below are proposed beyond bonding revenues already spent.

A. Proposed Land Acquisition in Southeastern Michigan Recreation Areas.

Area	County	Acreage to be Acquired
Brighton Recreation Area Island Lake Recreation Area Pontiac Lake Recreation Area Holly Lake Recreation Area Ortonville Recreation Area Rochester-Utica Recreation Area Bald Mountain Recreation Area Proud Lake Recreation Area	Livingston Livingston Oakland Lapeer-Oakland Oakland Oakland Oakland	
	Total Cost	1953 \$750,000

B. Expansion of Existing Parks.

<u>Park</u>	County				ge to quired
Port Crescent P.J. Hoffmaster Cheboygan Fayette	Huron Ottowa-Muskegon Cheboygan Delta	purchase	_	to to	200 192 190 600
	Total Cost	purchase	up	to	

C. New Areas.

Area	County					<u>Ac</u>	reage
Rifle River	Ogemaw Alcona-Alp	ena	purchase	of	up	to	42 88 1443
Grand Rapids Pictured Rocks	Alger) Alger)		purchase	of	up	to	120
Sherman Hill Saugatuck Sanilac Stevensville	St. Joseph Allegan Sanilac Berrien		purchase purchase purchase purchase	of of	up up		500 300 500 800
		Total Cost	purchase	of			7441 0,000

Blacktop Park Roads D.

S1 te	County	Cost
Straits State Park	Mackinac	\$ 4,400
Tahquamenan Falls State Park	Luce-Chippe	
Van Riper State Park	Marquette	33,000
Aloha State Park	Cheboygan	16,500
Ludington State Park	Mason	11,000
Wilderness State Park	Emme t	5,500
Pinckney Recreation Area	Washtenaw-	
•	Livingston	6,600
Port Crescent State Park	Huron	6,600
Warren Dunes State Park	Berrien	4,400
Waterloo Recreation Area	Jackson-	
	_Washtenaw	6,600
Yankee Springs State Park	Barry	<u>5,500</u>
	Total Cost	\$105,600
E. New Construction		
Muskegon State Park	Muskegon	\$82,500
Burt Lake State Park	Cheboygan	236,700
Ft. Wilkens State Park	Keweenaw	99,000
McLain State Park	Houghton	14,850
Bald Mountain Recreation Area		412,500
Silver Lake State Park	Oceana	66,000
Hayes State Park	Lenawee-	
•	Washtenaw	46,750
Porcupine Mountains State Par	k Ontonagon	189,200
Higgins Lake State Park	Roscommon	148,500
Mitchell State Park	Wexford	90,200
Holland State Park	Ottawa	44,000
Mears State Park	Oceana	181,500
Fayette State Park	Delta	24,750
Brimley State Park	Chippewa	33,000
Tawas State Park	Iosco	77,000
Sleeper State Park	Huron	104,450
Cheboygan State Park	Cheboygan	<u> 38,500</u>
То	tal Cost \$	1,894,400
Gr	and Total -	3,500,000

The Michigan State Park System is composed of 62 state parks and recreation areas. These state parks and recreation areas provide beaches, camp areas, picnic areas, boating facilities, hunting and fishing, scenic attractions and

other recreational opportunities. The number of these facilities included in the park system for which a fee will be charged are as follows:

Beaches	45
Camp Areas	51
Picnic Areas	55
Boating Facilities	42
Scenic Attractions	11

Hunting and fishing are allowed in those areas where such use is feasible. Some of the better known scenic attractions of the park system for which a fee will be charged are as follows:

- 1. Fort Wilkins State Park. This facility is located in Keweenaw County and contains a restored fort which was built in 1844 for the protection of the miners.
- 2. <u>Hartwick Pines State Park</u>. This facility located in Crawford County contains the largest stand of virgin white pine remaining in Michigan.
- 3. Highland Recreation Area. This facility located in Oakland County affords great vistas of the surrounding country. In the area is located the former Edsel Ford Estate which is used for group meetings on conservation, education and allied topics.
- 4. <u>Ludington State Park</u>. This facility is located in Mason County and contains superb facilities and interesting dune formations.
- 5. Muskegon State Park. This facility is located in Muskegon County and contains three miles of Lake Michigan beach and scenic views from the high dunes.
- 6. Palms Book State Park. This facility located in Schoolcraft County contains Kitchitikipi Spring which is unique among the state parks of Michigan. Two hundred feet across and forty feet deep the spring is fed by clearest water gushing from many fissures in the underlying limestone.
- 7. Porcupine Mountains State Park. This facility located in Ontonogan and Gogebic Counties is the largest state park, 55,000 acres and contains the enchanting Lake of the Clouds, many trails, cabins for overnight shelter and winter sport ski facilities.

- 8. Straits State Park. This facility, located in Mackinac County affords beautiful views of the Mackinac Bridge which connects the upper and lower peninsulas.
- 9. <u>Tahquamenon Falls State Park</u>. This facility located in Luce and Chippewa Counties contains the largest waterfall located in the State of Michigan.
- 10. Warren Dunes State Park. This facility is located Berrien County. Massive sand dunes known by name of Tower Hill, Pike's Peak and the Great Warren Dune rise from the shore to elevations high above the lake and slowly move by action of the winds.
- 11. Wilderness State Park. This facility located in Emmet County has been left in its wild state, affords an excellent opportunity to observe many of the wild animals such as deer, bear, ruffed grouse, porcupine, fox and many others. 27

The present park facilities have been acquired and developed principally by moneys derived from appropriations by the State Legislature. Also, properties have been obtained through gifts, tax diverted lands and trades.

Arthur C. Elmer, Director of the Michigan Department of Conservation, has predicted that \$135,000,000 will be needed in the next ten years for capital developments, in the Michigan State Park System, to meet increasing demands. The impact of private recreational developments could have a significant relationship on this figure and possibly lower it in the future. Farmers, land owners and private companies all have great potential in the development of future recreational areas, and feasibly could become increasingly important in the future development of these areas.

²⁷ Ibid.

Expenditures of the First \$5,000,000 of Bonds

The first \$5,000,000 of the bond program started with the sale of Series I bonds (\$2,000,000) in August 1961 followed by the proposed sale of Series III bonds (\$1,000,000) in March 1963. The status of the program as of December 31, 1962 is as follows: 28

Land Acquisition

1775 acres purchased \$ 997,802 2 new areas and 14 additions to existing parks

Park Improvements

83 project construction contracts 39 projects completed in 26 parks	1,770,393
Engineering and Administration costs	318,745
Bond Costs	155,550
Balance of Program	2,600,000
Total	\$5,000,000

CHAPTER V

"PROS" AND "CONS" OF THE ENTRANCE FEE

I. RATIONALE FOR THE ENTRANCE FEE

Wirth-Lieber Theories

Two theories have been proposed relating to the responsibility of park agencies to provide for the general welfare of the persons they serve. 29 The first theory that will be considered was proposed by Colonel Richard Lieber, one-time director of the Indiana Department of Conservation. The second theory was proposed by Theodore Wirth, Director of the Minneapolis, Minnesota Park Department for 40 years.

It was Colonel Lieber's belief that parks should not be totally paid for and operated out of the State treasury. He felt that parks were desirable to have, but not a necessity. They should be created out of the public fund and amortized for by the user. Charges should be made for special services demanded by individuals within a park that are not of a general park type facility, such as museums, nature trails, picnic areas, nature interpretation facilities, etc. These are not services but apparatus of a park. Colonel Lieber believed that parks were in themselves special services and as a result should be paid for by an admittance fee.

Theodore Wirth disagreed with Colonel Lieber and felt that parks were a necessity and were essential to the public

²⁹S.G. Fontana, Financing Park Systems, a report to the Second Annual Great Lakes Park Training Institute, (Pokagon, Indiana; Pokagon State Park, 1948).

welfare, health and orderly enjoyable life of the community and the nation as a whole. He felt that every individual had a common interest and a common ownership in the park system and should take pride in its development and appearance. This common ownership was based on the fact that all the people were contributing to the establishment, operation, and upkeep of the park system. This may be through both direct and indirect taxation. As joint owners the citizens must share in the protection and support of the park system, as well as the benefits derived from the park.

Wirth agreed with Colonel Lieber on the fact that it is justifiable to charge for special facilities that are provided with the use of a limited number of patrons or special interest groups. The problem is to determine what facilities are desirable and essential, what facilities can be classified as special use facilities and what constitutes a reasonable charge for their use.

Methods of Financing

1. Capital Investments.

Benefits from capital investments are spread over a long period of time and it would also be plausible to spread the cost over a long period of time, such as by a bond issue. This furnishes funds immediately for land acquisitions and allows development to proceed at a normal rate.

2. Legislative Appropriations for Operation, Administration and Maintenance.

Legislative appropriations release funds on an annual basis and are appropriated from the revenue of any one year.

Appropriations are often irregular making long range plans difficult.

Annual appropriations are not desirable for capital investments. A steady income from appropriations cannot be planned on and the capital investment program will fluctuate from year to year. It would be very difficult to plan and carry out a logical, long range capital development program with an annual fluctuation in appropriations.

Annual legislative appropriations are more suited to financing the costs of administration, operation and maintenance. These costs are incurred on an annual basis and therefore should be appropriated on the same basis.

In the Michigan State Park System, annual appropriations form the backbone of financing for operations, administration and maintenance. The park agency competes with all other state agencies for its share of the funds. Such appropriations will fluctuate with the condition of the State treasury and the anticipated revenue. A problem of importance is to increase appropriations for operation, administration and maintenance with an increase in capital developments and use.

3. Other Income.

Operating revenue may also be obtained from other sources, such as fees and charges; severance taxes on the sale of timber and minerals, which is sometimes allotted for park purposes; miscellaneous taxes; fish and game license sales; gasoline taxes; money collected from law violations and others. These sources of income may reduce the legis-

lative appropriations correspondingly when they are held for use by the park agency and not deposited in the state treasury.

Contemporary Theories

The author has assumed an approach that compromises between the theories formed by Colonel Lieber and Theodore Wirth.

A wider dispersion of age classes and a larger state population has increased the demand for recreation and special recreational facilities. The early concept of state parks was to establish areas of outstanding state-wide scenery, or other sites of unique value such as historical, geological or archeological areas. This concept was changed in recent decades and will probably continue to change with the desires of park users.

With large population concentrations there is a demand to establish more park and recreation facilities in concentrated areas or other strategic areas. Good examples are the parks in the highly populated areas surrounding Detroit or parks provided along highways with no special significance other than to accommodate overnight campers on trips or vacations. The citizens of areas such as those around Detroit have a desire and need to relieve themselves of the daily routine and drudgery of urban life. They are demanding that more recreational facilities be established to meet their demand. The parks that are in demand by these people are not the unique, high standard State Park areas as originally

conceived by early park men; they are actually superfluous to their early concept.

With a greater diversification of age classes, two population segments are becoming relatively more important in Michigan's population structure. These two groups include children from babies to 14 year olds and senior citizens or retired folk over 65 years of age. These groups each demand a distinctively different type of recreation. The younger group demands active recreational outlets such as organized sports, swimming, bicycling, fishing, boating, water skiing and hoking. The older group demands or desires other recreational pursuits such as short nature walks, walking for pleasure, sightseeing, and to some extent, horseback riding. 31

Parks of less than state caliber and special facilities are beyond the scope of the original state park philosophy. As time has progressed, demands have changed state park philosophies to the extent that some active type of recreational facilities such as swimming, picnicking, nature trails, camping sites, golf courses, ball diamonds and other facilities have become commonly accepted as a park of a state park.

At this point the author compromises between the theories established by Colonel Lieber and Theodore Wirth. Lieber suggests that state parks are not a necessity but are desirable to have. Wirth suggests that state parks are a ne-

Outdoor Recreation Resources Review Commission, Outdoor Recreation for America, A report prepared by the Outdoor Recreation Resources Review Commission, (Washington 25, D.C.: U.S. Government Printing Office, Jan. 1962), pp. 36-37. 31 Ibid.

cessity. The author believes that state parks of historic, scenic or other state-wide significance are a necessity.

They preserve outstanding areas of state-wide importance that should be held in trust for the benefit of future generations.

It must be kept in mind that state park areas of a user oriented type are also important. They serve as outlets for recreational activities of a large number of the State's citizens. These parks are also necessary, but not usually of state-wide scenic, historic or geologic significance.

Areas of less than state-wide significance are desirable to have, but beyond the scope of the state to provide from the general tax revenues. If park users demand this type of facility they should be willing to help finance the capital developments of these areas by an entrance fee or special tax. Once areas, such as these, have been established the author believes it will then become the responsibility of the state to operate, administer and maintain these state parks through revenue derived from the state treasury.

Park areas of less than state-wide significance could be developed by private enterprise, or local levels of the government such as county, township, city or metropolitan governments, or by the state if the development is financed out of entrance fees or special taxes.

A logical question may arise from such a viewpoint. It is, "To what extent should parks of state-wide significance be developed?" These parks are valuable because of the

natural values they preserve. A conflict can arise between an integrating of facilities that do not blend into the use and character of a park area of state-wide significance. In many of the state parks that fell in the category of state-wide interest, facilities such as golf courses, swimming ares, ball diamonds, ski lifts, and others have been developed.

The author has extracted a statement made by Frank

Brockman to help illustrate and guide the extent of development in resource-based parks.

Wild lands offer excellent opportunities for health-giving outdoor leisure-time pursuits. In addition they provide opportunity for development of physical and mental skills. To a large extent the individual engaged in a recreational activity on wild land is on his own; his enjoyment is largely dependent on his resources. In a limited sense he must meet the physical demands of the out-of-doors, and the degree of success he obtains is an indication of his self-reliance. Intellectually, too, his enjoyment of such areas depends on his perception; in some cases the major recreational benefits can be achieved only from a combination of physical and intellectual abilities.³²

If the state provides the minimum facilities to help develop the physical and intellectual skills of the users, they have fulfilled their responsibility of preserving areas of special interest from overdevelopment.

Developments should be kept to a minimum. The park should be safe for the use of the public and should not have features that would make it unsafe for such use. If such undesirable features do occur they should be eliminated or

³² Frank C. Brockman, Recreational Use of Wild Lands, (New York: McGraw Hill Book Company, Inc., 1959), page 23.

warned against. The state park should be accessible for public use. A minimum amount of developments will insure the protection of the scenic or other significant values the park was established for, and will insure a non-urban atmosphere.

The author agrees with Mr. Wirth that state parks are in the joint ownership of the general public and the citizens must share in the support and protection of the park system, as well as the benefits derived from the parks. If special services are provided they should be paid for by the users of the facilities.

The author disagrees with Colonel Lieber on the point that all state parks should be created out of the general fund, and operation, administration and maintenance should be paid for by the user. The only parks that should be established out of the general fund are state parks of state—wide interest, such as already described. Parks of less than state—wide significance that serve areas of population concentration should be paid for by other means, such as an entrance fee or special tax. The author feels that all state parks, once established, become the responsibility of the state to operate, administer and maintain.

In parks of state-wide significance such as resource oriented, or some of the intermediate type of parks, the the state has the responsibility of providing for the general welfare. These parks should be developed to the extent that they are accessible and safe for public use. All the population segments should be provided for as long as these de-

velopments are of a non-urban type, and blend into the use and type of recreational area involved.

Facilities beyond those that are necessary for providing for the general welfare and that do not blend into the scenery and use of the area involved, should be established in user oriented state parks; developed through entrance fees or special taxes. These also could be developed by private enterprise if the demand was strong enough.

Future directions of outdoor recreation may be guided by ideas of other men which follows:

- 1. Dr. N.P. Neilson, professor of health, physical education, and recreation at the University of Utah stated, "Recreation at public expense will decrease. Services such as schools, roads and water supplies must be tax supported. Competition for the tax dollar will gradually force the establishment of fees for participation in many recreational activities now provided under community auspices." 33
- 2. Professor Lyle E. Craine of the Department of Conservation at the University of Michigan states,
 "It is important that we question any proposal that places all costs of meeting expanding needs for recreation on the taxpayer." Craine further states.

^{33 &}quot;Future Directions of Recreation", <u>Journal of Health</u> Physical Education Recreation, January 1963.

"If the space and facilities we need in the future are to be obtained, some greater cost sharing is in the cards."34

- Professor Louis F. Twardzik. Department of Resource 3. Development at Michigan State University, advocates a different viewpoint than either Neilson or Craine. Twardzik suggests that recreation is a social-welfare function of the government with the prime purpose of "service to the people". He states, "The gradual loss of recreation's stature as a social-welfare function of the government is attested to by the many cost-sharing or pay-as-you-go plans for financing recreation currently being advocated."35
- 4. It is important in any consideration of the question of fees and charges to keep in mind the fact that public recreation is not a business or public utility. It is a public service to meet one of the basic human needs of our day. The value of a recreation program lies in its service to the people, not in the income producing ability. The income of public park and recreation departments has for many years been about 15% of their total income. It has never exceeded 20%. 36

³⁶National Recreation Association, "A Brief Statement on Fees and Charges in Community Recreation", (N.R.A., New York

11, N.Y., August 1957), page 1

³⁴ Lyle E. Craine, Providing Space for Michigan's Recreation Needs, Paper presented at the Annual Conference of the Michigan Forestry and Park Association, Feb. 9, 1962, p.7 & 8. 35Louis F. Twardzik, Service to People-A New Perspective to Recreation, Speech presented to the Missouri Park and Recreation Assn., (Dept. of Resource Development, Michigan State University, 1962), page 2.

Texas Study

Another approach may be taken to substantiate the rationale in favor of an entrance fee or other financing for state parks, above and beyond that derived from the general fund through taxation. A study made at the Texas Technological College will be used as a basis for this discussion. 37

In all state parks, in the United States, a total of \$87,372,621 was spent for operation, administration, maintenance, and capital developments. If this total is prorated among the number of visits the cost per visitor amounts to thirty-four cents. This amount includes twenty-two cents for operation, administration and maintenance and twelve cents for capital investments. The net cost per visitor for operation and maintenance is thirteen cents if net revenues from operation are subtracted. These amounts are similar to those of the past several years. (State Park Statistics)

Complete reliance cannot be placed upon the validity of conclusions obtained from an analysis of these reports due to shaky attendance figures, non-uniformity of reporting income and differences in interpretation of maintenance and operation costs. With these flaws the cost per visitor is still one of the more reliable and constant ones. Even though this figure varies from nothing to several that are

³⁷ Texas Technological College, "Texas State Parks", (Unpublished Report, Division of Park Administration, Texas Technological College), Lubbock, Texas.

in the twenty-five cent and thirty-cent bracket, a number of reputedly well-run systems are below ten cents per capita per attendant and twelve cents for capital developments.

Cost Per Visitor in Michigan State Parks

Michigan has twenty-three acres of park land in the state park system per 1000 population. Most of this land is in large tracts in the northern part of the state. In Michigan 97% of the state park use is spent in daytime activities.

In 1960 no land acquisition was carried on and \$900,000 was spent on capital improvements; the cost per visitor was nineteen cents. 38 It would not be unreasonable to assume that Michigan could request extra revenue above and beyond that derived from general taxation to meet the difference of seven cents per capita per annum. This would assume that all cost incurred above twelve cents per capita per annum should be paid for by user or by other means. The twelve cents per capita per annum was the cost mentioned in the preceding section.

Michigan needs more than nineteen cents per capita per annum. Arthur C. Elmer, Chief of the Parks and Recreation Division of the Michigan Department of Conservation, has predicted that in order to provide adequately for the estimated state park use in 1970, \$55,000,000 would have to be spent for land acquisition and \$80,000,000 would have to be spent for capital improvements. 39

³⁸ Information obtained based on figures from the Parks and Recreation Division of the Michigan Department of Conser-

vation.

39 National Conference of State and Federal Inter-Agency Committee for Recreation, Proceedings of the Tenth Annual Meeting, (Roscommon, Mich., July 22-25, 1962), pp. 10-13.

In 1961, \$716,267 was collected as gross income from the state park entrance fee in Michigan. To offset the costs of collection, \$108,000 was appropriated for this purpose or approximately 14% of the revenues collected from the entrance fee, plus other costs already mentioned. Charles Harris, director of Field Operations for the Division of Parks and Recreation of the Michigan Conservation Department, estimated 25% to 30% would be a more accurate figure for the costs of collection.

Assuming that even the \$716,267 was all net profit collected from the entrance fee, it would take over 180 years to collect the \$135,000,000 needed by 1970 to meet the increasing demands on Michigan's State Park system.

This justifies some other means of obtaining revenue beyond the annual legislative appropriations for capital developments.

It has been found in the past that legislative appropriations are not steady and vary from year to year. This fluctuation of the annual appropriations makes it difficult to make long range plans for development.

To further illustrate, the Lansing State Journal observed: 40

Michigan's recreational programs for the coming fiscal year have been watered down because of inadequate

⁴⁰ State Journal, (Lansing, Michigan) July 1, 1962, Section F, page 6.

appropriations from the legislature. Gaylord Walker, Deputy Conservation Director, said, "The money increase of \$160,000 over last year is a token increase and won't even enable the department to maintain programs at the present level."

In Sad Shape "This won't even take care of the increased cost of materials and certain fringe benefits", Walker said, pointing out the civil service health and accident insurance provisions have become more costly.

"We will have to water down previous programs planned for new parks, to say nothing of the potential increase in the use of parks this year," Walker said.

"Not only do we expect increased usage of parks, but under the bonding program we have already created additional park facilities as well as purchase of new land which should be put under administration this year", he said, "This costs money but we won't be able to control or man them this year as we should. We will do the best with what we have, but I wouldn't be surprised if we get criticism from park users."

The legislatures appropriation was almost \$1,500,000 under the department request. The lawmakers, in addition, reduced funds from the previous year allocations in several areas for land acquisition, road and bridge maintenance, and enforcement.

More revenue for capital developments is needed. To meet this demand the entrance fee has been introduced, but isn't producing enough revenue to meet the need. In Michigan an annual vehicle entrance permit costs two dollars and a daily permit costs fifty cents. It could be considered feasible to eliminate the annual permit, or raise its cost, as the daily permit would be a higher revenue producer. Comparing this fee with twelve other states that have entrance or admittance fees, it is found, six of these states do not have annual permits, also in some cases the daily permits are higher. Comparisons are as follows:

STATE	ANNUAL PERMIT	DAILY PERMIT	TYPE OF CHARGE
Michigan	\$ 2.00	•50	Vehicle Entrance
Connecticut	none	•50 - •75	Parking Fee
Florida	\$ 2.25	•50	Vehicle Entrance
Indiana	none	yes	Admittance
Massachusetts	\$10.00	\$1.00	Vehicle Entrance
Minnesota	\$ 2.00	• 50	Vehicle Entrance
New Hampshire	none	• 25	Admittance Fee
New Jersey	none	.25/person	Vehicle Entrance
_		.25/car	Admittance
New York	none	•50	Vehicle Entrance
Vermont	none	• 25	${ t Admittance}$
Virginia	yes	• 30	Parking
Wisconsin	\$ 2.00	•50	Vehicle Entrance
Rhode Island	\$ 2.00 \$ 5.00	\$1.00	Vehicle Entrance

Note: In this case the admittance fee refers to a charge per person for entering a state park and follows the classification in Chapter III.

Six states do not have an annual entrance fee of any type. Of the states that do have an annual fee, three are higher than Michigan's two dollar fee.

Table VIII in the appendix shows that expenditures on land and capital developments have not increased with the demand. The year 1957 had the highest allotment For capital developments in Michigan State Park history, \$1,419,219 was spent. In 1959 only \$61,268 was spent on capital developments and in 1960 \$17,741 was spent.

This again illustrates the erratic dependability of legislative appropriations for capital developments, and the impossibility of developing workable, long range plans to meet increasing demands through such appropriations.

From the 1962 edition of State Park Statistics a comparison of the annual per visitor cost of expenditures has been developed by the author for several states having an

entrance fee. This was based on the total annual attendance and total annual expenditures in each of the state park systems being compared. The chart is as follows:

STATE	EXPENDITURES	ATTENDANCE	PER VISITOR COST
Connecticut Deleware Florida Indiana Massachusetts Minnesota New Jersey New York Rhode Island Virginia Wisconsin	\$ 903,730 91,028 1,629,934 1,581,769 1,346,506 1,121,876 739,031 19,209,021 1,052,281 404,562 715,436	4,788,548 191,800 3,647,462 2,965,865 1,277,771 3,195,876 4,686,975 31,992,946 3,005,938 1,112,269 5,519,761	.19 .47 .45 .40 .95 .35 .16 .60 .35 .36 .13
MICHIGAN	2,559,633	13,385,922	.19

Michigan's cost per visitor is somewhat below that of the other states in the above comparison. Connecticut has the same per visitor cost as Michigan, New Jersey is three cents lower and Wisconsin is six cents lower. The other states in the comparison range to ninety-five cents per visitor in Massachusetts. If per visitor costs are compared it could seem feasible to raise Michigan's per visitor cost and obtain additional sources of revenue.

If legislative appropriations are not high enough to develop park areas of less than state-wide significance, they will have to be developed by other sources of revenue. If the appropriations continue as they have in the past possibly the revenue derived from the entrance fee will not even be sufficient to meet the demand.

Economic Benefits of Parks

Limited amounts of funds available for expenditures on

capital developments make it very difficult to plan for future expansion and development of state parks and recreational areas.

Park areas of state caliber are known to bring additional revenue into the surrounding communities. Money is introduced into the area by daytime park users and overnight park users, from both state resident park users and out-of-state visitors to Michigan State Parks. These funds not only bring additional money to the surrounding areas of the state park or recreation area, but benefit the total economy of the state.

It has been stated in this thesis that revenue derived from the entrance fee be used to finance capital developments and not for maintenance, operation, or administration.

Charging a small entrance fee, that does not discriminate against any segment of park users, can provide the needed revenue for developments.

A fee that is considered discriminatory in one state may not be considered so in a different state or area. In Michigan a two dollar annual entrance fee was considered acceptable and not discriminatory by the majority of state park users interviewed by Thomas Dahle. The state park development financed by both state residents and out-of-state tourists will benefit the state.

If a community can attract a couple dozen tourists a day throughout the year, it would be conomically comparable

to acquiring a new manufacturing industry with an annual payroll of \$100,000.41

Wisconsin made a study in 1961 of the amount of money spent by overnight campers. Interviews were made of 17.152 car parties in state parks and state forests in the southern part of the state. The results of these interviews showed that the average overnight camping party of family spent sixteen dollars and thirty-eight cents in the surrounding community. 42

The Michigan Highway Department, in 1961, also conducted a survey of the amount of money spent by the average camping family and surveyed 1.235 cars in the study. The average amount spent per party per day was sixteen dollars and ninetyfour cents.

A figure that has been suggested for Michigan in oral discussions has been ten dollars per party per day for overnight campers and one dollar per party per day for daytime users, such as picnickers, swimmers, and other participants of day use facilities. This has been argued as being conservative.43

To further illustrate expenditures by park users another examples will be illustrated from a 1956 survey in Michigan. 44

Printing Office, 1957).

42Wisconsin Conservation Department, Technical Bulletin

22, (Madison, Wisconsin: 1961).

43Interview with Paul Barrett, Consultant to Michigan

⁴¹ United States Department of Commerce, The Tourist Business, (Washington 25, D.C.: United States Government

Department of Conservation, Lansing, Michigan.
44Thomas Dahle, Michigan State Park Users Survey, (East Lansing, Michigan: College of Business and Public Relations, Michigan State University, 1956), page 15.

Daily Expenses of Park Users Based Upon Family Unit

Expenditure Dollars	Campers	Day Users	Total	Per Cent
1.50-2.99 3.00-4.49 4.50-5.99 6.00-7.49 7.50-9.49 9.50-11.49 11.50-13.49 13.50-15.99 16.00 & over Subtotal Don't know Not on vacation TOTAL	2 13 34 77 58 76 119 37 42 39 585 68 6	7 8 12 22 11 9 14 13 6 22 309 15 115 439	9 21 46 99 69 85 133 50 48 621 821 825	1.4 3.4 7.4 15.9 11.1 13.7 21.4 8.1 7.7 9.8 100.0 10.1 14.7

The average (arithmetic mean) daily expenditures of the entire group that made estimates of their expenses was \$9.20. The average for campers was \$9.24, only slightly higher than the \$9.05 average for day users.

The estimates include food purchased for vacation, transportation costs, entertainment, souvenirs, park camping and electric fees, lodging (day users), meals other than consumed in the park and sightseeing costs.

No matter how these figures might be interpreted, it is apparent that park users spend a considerable sum of money in various parts of Michigan. Furthermore, these expenditures are well distributed throughout the state, rather than concentrated in areas where parks are located.

The significance of the various figures may be questioned and the reliability of the surveys questioned, but the author only wants to suggest the economic impact of state parks to

the state. Whether all this money remains in Michigan and what the net profits are must also be considered.

These figures show the amount of revenue that can be produced for the surrounding community by the park visitor.

One important point is that revenue may be introduced from outside of the state, through the use of the park entrance fee for capital developments, with the capital spent by the park user in the encircling community, adding to the benefit of the state as well as certain citizens.

The citizens of the state share a common ownership in their parks. Through their support they can take pride in their parks. Through their support they can take pride in a better park system and a more prosperous community and state.

Encourage Private Development

Instituting an entrance fee in the state parks is an encouragement to private enterprise. With the state charging an entrance fee private development can come into competition with the state. Without an entrance fee the development of private campgrounds would be discourage as they could not compete with a camping fee of one dollar a night, which is charged in Michigan State Parks for camping.

An entrance fee will encourage private development, thus relaxing the demand on state park facilities to some extent.

Encourage County and Township Parks

County and township governments could also adapt some

type of fee to help develop local parks to alleviate the deman on state parks. This has been recently considered and investigated in Michigan. Following is a newspaper article from the Lansing State Journal. Wednesday, August 22, 1962.

A legislative committee prepared to hear suggestions at Grand Haven, Wednesday, on state park needs and use of public lands in a series of public hearings opened at Holland.

About 50 persons last night appeared before the committee headed by Rep. Reimer Van Til (R.-Holland).

Suggestions from the audience sought a limit on of campers in state parks, urged county or township governments to establish public parks--possibly with matching Federal funds--and proposed that parking meters be installed in beach parking lots.

Charles Harris, state parks department spokesman, doubted that the P.J. Hoffmaster park being established on the Ottawa-Muskegon county line would take the pressure from Holland state park. He said the rate of use of parks increases faster than new facilities can be provided.

Lou Haney, manager of Holland state park, said attendance there was up 30,000 over last year.

Following the afternoon session Grand Haven, the committee moves to Ludington for an evening hearing.

II. RATIONALE AGAINST THE ENTRANCE FEE

Public Acceptance

The state park vehicle entrance fee was established in 1961 in the State of Michigan. The fee was not generally accepted by park users. Attendance to Michigan State Parks in 1960 had been 15,933,935 persons. After the installation

^{45&}quot;The State Journal", <u>Air State Park Needs</u>, Wed., Aug. 22, 1962, Lansing, Michigan; Section C, page 6.

of the entrance fee in 1961 attendance figures dropped to 13,385,922 persons. Part of this drop in attendance may have been to an unusually "wet" summer. It is hard to interpret whether all these persons sayed away from the state parks in resistance to the entrance fee. The Parks and Recreation Division of the Michigan Department of Conservation has a list of the drops in attendance per park that has been listed in the Appendix. This was used as a basis for estimating resistance, but as was already mentioned this is not a true measure as other factors may have attributed to the drop in attendance.

The state may be accused of shunning its responsibility to provide for the general health and welfare of its citizens by instituting a fee that initiated a drop in attendance.

Costs and Benefits

Entrance fees are not desirable if they do not produce a profit. An entrance fee should not be charged unless it produces a sufficient amount of revenue to be useful. To be considered useful the benefits should exceed the costs.

Enough money should be produced to meet the demands of additional revenue needed for capital developments, operation, administration or maintenance, depending on the particular state. The net revenue, the fee or other source of revenue produces, is important. If a state needs \$1,000,000 and is depending on revenue derived from the entrance fee or another source, it should come close to producing this amount.

Of the states reporting they had an entrance fee, Minnesota was the only state to give a gross and net value of revenues. Minnesota's gross income from the entrance fee was \$147,333 and the estimated net income was \$69,800. From these figures it can be seen that the net revenue was only 47% of the total revenue collected.

Michigan estimated their net return from the entrance fee as approximately 70% of the gross return collected from the fee.

Other states that reported having an entrance fee were unable to determine the net returns from the fee..

There are many costs involved with an entrance fee.

These costs are for enforcement personnel, collection stations, administration, permits, depreciation of collection equipment and good will or public relations, etc. If these costs exceed the benefits derived from the entrance fee, it should be eliminated.

General Welfare

Instituting an entrance fee in a park could be the start to a gradual loss of the social welfare function of the government.

In the past, especially on the local level, recreational areas have been supplied free of charge for the use of all persons desiring to participate in the recreational opportunities that are available.

Although the Federal government and many state govern-

ments have established and maintained public parks since the middle of the last century, these have often been supported with an interest of preserving unique areas, and have often been financed by private donations. Consequently, it was not until post-World War II that either Federal or state government were looked to as having any responsibility for providing space to meet an expressed recreation need. 46

Before this period federal agencies were very much concerned with providing or finding ways to provide for recreation, but did not feel the full force of the demand until the post-war period.

It may be interpreted that the Federal and state governments did not feel a need or responsibility to provide recreation space until the demand was developed enough to force state action to be taken to meet the outdoor recreational demands.

Responsibility was felt by the state park agency to develop a number of areas to attempt to meet the demand, and not leave this responsibility of service to the people to be entirely exploited by private enterprise. Today, this demand has expanded even to a greater extent than in immediate post-war years, but the development of parks has not expanded as rapidly to meet the increased needs.

⁴⁶ Lyle E. Craine, <u>Providing Space for Michigan's Recreational Needs</u>, Speech presented at the Annual Conference of the Michigan Forestry and Park Association, (Dept. of Conservation, University of Michigan, Feb. 9, 1962), page 6.

To provide parks and recreational areas to meet the increasing demand is in public interest and in the scope of providing service to the people. When a charge or entrance fee is initiated in these areas it could suggest a reverse in the past park philosophy of service to the people. If attendance drops in state parks because of a charge for entrance or if the "money-making" idea becomes the first interest of the state park agency, this could gradually deteriorate the park system and service concept. It must also be stated here that a fee for entrance could also produce a profit for expansion of the park system and more improvements, if the philosophy of service to the people is kept prominent.

Parks and recreational areas were originally established from funds derived from the state treasury through taxes, from tax reverted lands, from gifts and through trading parcels of land. Citizens of Michigan have helped pay for the development of state parks and recreational areas through taxes and then suddenly, in 1961, are asked to pay a vehicle entrance fee to gain admittance to their own parks.

The meaning of recreation as a public benefit and responsibility is being challenged, partially because of an affluent society. 47 It is now proposed that since the citizens of Michigan are now in a better position to pay for

⁴⁷ Louis F. Twardzik, Service to People--A New Perspective To Recreation, Speech presented to the Missouri Park and Recreation Association, (Dept. of Resource Development, Michigan State University, 1962), page 3.

recreation, it should lose its public welfare stature.

Park entrance could be on a free basis as it was in the past and charges for special facilities and services could be justified. A user should not be hindered from his right to enter a public park, by a mandatory entrance charge. Time and distance often constitute substantial charges to park users without adding more charges.

There are many benefits of recreation that are intangible and necessary to a healthy normal life. These benefits should not have a price put on their services to the community state and nation. Parks and recreation areas provide healthful exercise necessary for physical fitness, promotes mental health and relaxation, offers spiritual values and valuable educational opportunities. Is it in the best interest of the State to place a value on these benefits?

Additional revenue is the prime justification for such a fee and could quite easily become a deteriorating force on the present pattern of state park resources. The higher amount of users that can be accommodated in a park may be encouraged to produce a higher resulting revenue, which should never become the primary goal of the department. Preservation of the natural resources of these areas should be of utmost importance by preventing over-excessive use, and never the amount of revenue that can be returned.

Liability.

In past years it has been considered that the state

could do no wrong and, therefore, should not be sued. This immunity idea originated in England centuries ago. It was the theory in that time that the King could do no wrong. English courts dropped this idea, but the idea is still prevalent in American courts.

The idea of immunity has taken a different aspect recently. This clearly is expressed in a newspaper article which is as follows: 48

Michigan's Supreme Court officially Friday decided that the State can do wrong and the decision is going to have some far-reaching effects.

Because of the ruling, there probably will be:
More suits against cities, villages, counties, townships and the State when people are hurt physically
and financially through government employees' negligence. More work for lawyers. More business for insurance companies. A fairer shake for the individual.

Some cities without much money might even go bankrupt if they come out on the wrong end of a huge damage suit.

There may be some notion by the Legislature to "refine" or limit the court decision.

People who should know say most lawyers favor the high-court ruling.

Five of the eight justices ruled that they won't recognize governmental immunity as a defense in damage suits.

The ruling came in the case of a Detroit man killed in 1954 at the old Morgan Building being razed to make way for the Civic Center.

However, one justice, while he agreed with abolishing immunity, couldn't go along in this specific case because cities now will have no protection.

⁴⁸ Written by Dale Arnold - source unknown.

They've relied on immunity to keep them safe and if the door were opened on all past cases, courts would be flooded and maybe some city treasuries emptied by lawsuits.

But the court has now warned that in the future, it won't go along with the immunity idea so cities had better get insurance.

This isn't shocking to a lot of people, however.

"The whole trend in recent years has been to limit immunity more and more", said University of Michigan law professor, Paul Kauper.

The immunity idea originated in England centuries ago with the theory that the King could do not wrong. But paradoxically English courts rejected the idea long ago while United States courts clung to it.

Michigan is the fourth state to do away with the immunity protection through the courts. Florida did it that way in 1958, Kauper said with Illinois following.

New York did it through its legislature.

It is the how-to-do-it problem that split the Michigan Supreme Court.

Five justices opposing immunity feel immunity was originally court-created, so the court should do away with it.

The conservative view followed by the three Republican members of the court is that the court should follow previous fulings, and if any change is to come, it should come through the legislature.

It will take a long time and many court cases to fully evaluate the decision.

It doesn't mean that everybody suing the city or county will win. The plaintiff still has to prove his case, but he isn't starting with two strikes against him as he did when the governments had immunity on their side.

One judge said that the "umpire has called the play and I have to go along". He added that his colleagues probably would do the same.

Some news articles indicated that Detroit, defendant in the case on which the Supreme Court made its big decision might appeal. But there is no place to go.

"This is a matter of State law completely", Prof. Kauper said. "There is no basis for an appeal to the United States Supreme Court. There is no Federal question here".

Sam Trina, now in the Wayne County Prosecutor's office, but formerly solicitor general of Michigan, thinks the lawmakers may get into the picture.

The legislature might limit municipalities liability or reverse the court he said.

But it is doubtful that the Legislature would get far with a reversal. It would have to clear Gov. Swainson, and chances of that are slight.

One observer thought the high court was just "building a fire under the Legislature", trying to get it to act on immunity.

The legislature had a bill before it last session to cut into immunity protection, but it got nowhere. A similar measure is expected to come up again next session.

Rep. Thomas Whinary (R., Grand Rapids), head of the House Judiciary Committee, thought the immunity doctrine should have been discarded, but perhaps more slowly.

"This is a big jolt to the State", he said, "It might have been more desirable for a gradual transition."

Wayne County Circuit Judge Victor J. Baum, who handled the Detroit case which started all this furor, boiled the question down to its essentials.

"Basically, it is a question of how the loss should be borne when government negligence is involved," he said. "Should it be distributed or shouldered by the individual?"

Baum didn't care to say whether he was happy or not about the Supreme Court ruling, but the odds are he is glad.

A few years ago he allowed damages when a Livonia youngster was injured on a school playground.

The school had insurance, so Judge Baum decided the public coffers wouldn't be harmed if the boy collected damages.

He also decided that the king - or school in that case - could do wrong.

Test in Court of Claims

The question of immunity of the State Park Commission of Michigan may become more questionable with the institution of the state park fee, making the State Park Commission a proprietary agency.

Since the institution of the park entrance fee, there haven't been any cases in Michigan to test the immunity of the State Park Commission. A case occurred in 1959, before an entrance fee had been initiated in Michigan State Parks, that definitely may have bearing on future cases. A short summary of this case follows: 49

On September 8, 1959, David Kuhary aged nine and one-half years, was injured in a bathhouse at Muskegon State
Park. The case was brought before the State of Michigan
Court of Claims to recover damages for past pain, suffering,
disability, disfigurement and mental anguish; and for future
pain, suffering, mental anguish and disability of the injured
boy.

The defense argued:

1) That the court should declare that the defendant (Michigan State Park Commission) is not liable by

⁴⁹ State of Michigan Court of Claims, "Dorothy Kuhary, vs Michigan State Park Commission, No. 594", Arthur M. Bach Circuit Judge, (Assistant Attorney General's Office, Lansing, Michigan.)

- virtue of sovereign immunity and that maintenance and operation of parks is a government function.
- 2) That no propriety function was involved in operation of the Muskegon State Park by the State of Michigan.
- 3) That if the court should find that operation of the park at Muskegon was a proprietary function and that the State of Michigan is not immune from liability that it should further find that there was no negligence on the part of the defendant and that David Kuhary was guilty of contributory negligence.

The State was not held responsible on the grounds of contributory negligence, but the question of Michigan's immunity and the proprietary function of the parks was questioned even before the installation of the entrance fee. The author was unable to find any precedents that may have been established in other states regarding immunity and the proprietary function. All information gathered seems to suggest that the entrance fee will lessen the immunity of the State Park Commission.

Special Taxes and Funds

The entrance fee is not producing enough revenue to meet the demands predicted by the Conservation Department. A higher fee would totally defeat one of the major objectives of the State Park system which is service to the people. Higher fees would tend to eliminate and discriminate against segments of park users in lower income groups. Parks of State caliber would become areas of recreation for persons in the higher income brackets.

It might be feasible, as previously indicated, to have only a daily charge and eliminate the annual fee totally,

but this also raises the cost per visitor.

A better answer would be to find other sources of revenue that would finance the development of the park system to serve areas that demand user oriented facilities, and still provide free entrance.

Bond issues financed by special taxes, such as the cigarette tax of Wisconsin that is financing a \$50,000,000 bond issue for land acquisition, would be an alternative. The question may arise, "Is it equitable to charge a cigarette smoker for park revenues?" Inelastic taxes are good revenue producing sources and have been used to produce money for many purposes. If a park agency has an opportunity to use these funds, instead of another agency, it would appear feasible to do so.

Funds set aside from the sale of driver's licenses as is done in Washington or Oregon, or other such earmarked funds, might also be considered as another alternative. Two states have financed developments with oil royalties.

Methods such as these produce higher revenues, generally speaking, than does the entrance fee. These taxes have often been used in the past to derive revenues for other purposes, such as highway construction and others. Items with an inelastic demand such as these produce relatively stable and high revenues. Arguments may be projected for and against taxing these items for park purposes. The author is concerned here with only pointing out the possibilities of such taxes.

These methods of financing do not discriminate against any park user and are not as openly criticised as an entrance fee is. They also are not subject to liability as in the case of the entrance fee.

They produce higher returns than the entrance fee and make possible long-range capital development plans not influenced by the "whims" of the legislature.

Other methods should be seriously investigated by the State Park Agency as alternative to an entrance fee. They could be more beneficial to both the state and the user.

CHAPTER VI

RECOMMENDATIONS

The advantages and disadvantages of entrance fees have been explored in the previous chapters. A definition of the entrance fee has been suggested and methods of collecting the entrance fee have been explored. These factors form a basis from which recommendations will be proposed on the issue of entrance fees in Michigan State Parks.

- Entrance fees should not be charged in state park or recreation areas. If an entrance fee must be charged, it should be in accordance with recommendations two and three following.
- 2. Entrance fees should not be charged in park areas of state-wide significance. Entrance fees tend to lessen the State's responsibility to provide for the general welfare. This would include areas of scenic, geologic, archeologic, and historic value. These areas should remain open to the public without any type of hinderance to entrance.
- 3. Entrance fees should only be charged in State Recreational Areas of a user-oriented type, strategically placed, that serve areas of highpopulation concentration or serve as stops for travelers. These areas serve only special segments of the State's population and do not have sufficient significance to draw users from the entire state. The revenue derived from the entrance fee in these parks should

be used for capital developments of similar areas. From this standpoint, the entrance fee is justified in this type of park.

- 4. The true net profit derived from the entrance fee should be carefully calculated. All costs of administration and enforcement should be carefully investigated to determine if the entrance fee is actually producing a significant profit. There are many hidden costs. Only one of the states that have an entrance fee has been able to establish, or will provide, accurate records of the expenses connected with such a fee.
- 5. One alternative, that should be investigated by the legislature to increase the capital development bonding program beyond its present capacity is to deviate revenues from other operations to the bonding program and increase its revenue producing capacity. These revenues would include money derived concessions, camping, rental of equipment and other operated facilities. For 1961 these additional revenues amounted to \$823,051 and if used would have more than doubled the 1961 bonding capacity.
- 6. Other methods of obtaining revenue for capital developments should be explored. From the facts presented it can be found that the entrance fee is not producing a sufficient amount of revenue to meet

the demand for areas and facilities. A bond issue financed by a special tax, or fund, may produce the amount of revenue needed. The cigarette tax that is financing a \$50 million bond issue for land acquisition, in Wisconsin State Parks, may be a step in the right direction. Revenue derived by means such as these can produce a higher amount of revenue than the entrance fee, and is less open to public criticism. The problem of liability of the state is also diminished for accidents occurring in the state park system.

- 7. Fees should be charged for special facilities that are already developed in state parks. This would include facilities that have high development costs, that have high operative costs, that serve special interest groups, or that involve exclusive use of facilities. These facilities are beyond the responsibility of the state to provide, and should be avoided if possible.
- 8. Private enterprise should be encouraged to develop special use facilities that are beyond the responsibility of the state. Financial aid and professional advice on development and operation can come from State and Federal agencies.
- 9. State agencies should have a strict policy of not entering into competition with private enterprise

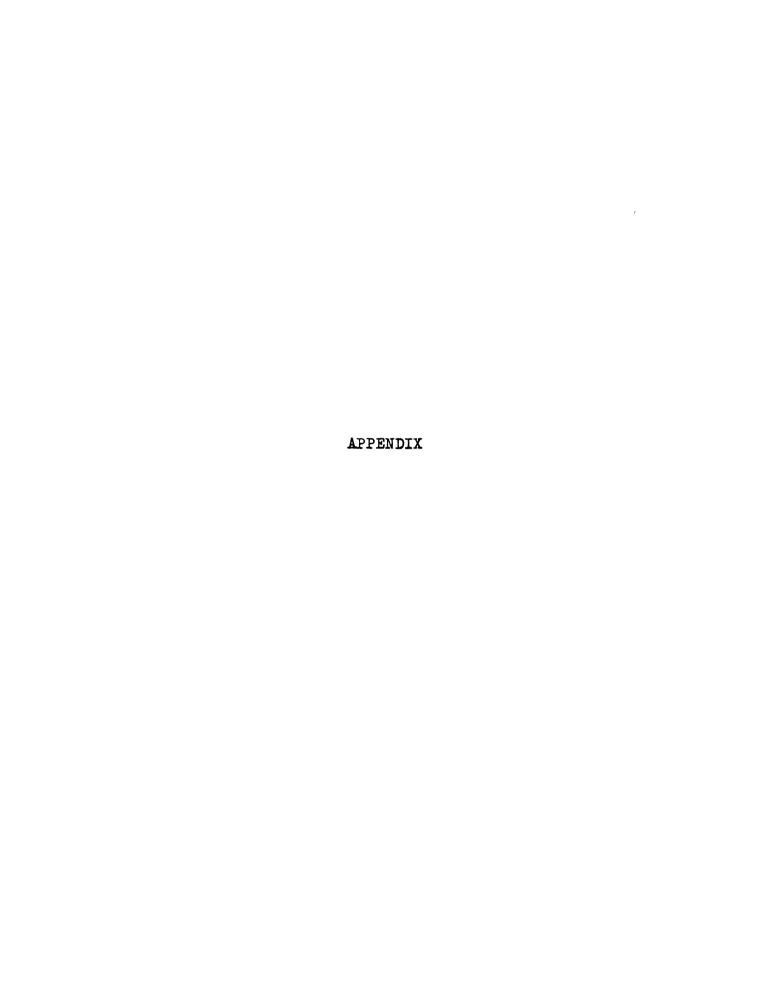
in providing park and recreational facilities.

Entrance fees should not be charged by the state

park agency to stimulate private development and

duplication of the general park type facility.

Facts have been presented and recommendations have been made. The responsibility of the state to provide recreational areas and facilities is imperative. All State and Federal agencies providing outdoor recreational service and private enterprise should work closely together to provide for the total good of all.



Department of Resource Development Michigan State University East Lansing, Michigan October 16, 1962

Superintendent of State Parks:

I am a graduate student at Michigan State University working on a Master of Science Degree in Park Management. As a partial fulfillment for the requirements of this degree, I am writing a thesis on the investigation of the vehicle entrance fee in state parks.

To gain an over-all viewpoint of the vehicle entrance fee, I am interested in obtaining answers to several questions on the vehicle entrance fee in your state.

Enclosed is a form with several questions pertaining to the vehicle entrance fee. I would be very grateful if this form was completed as soon as possible and returned to me.

Thank you for your thoughtful consideration of my request.

Sincerely,

Lyle W. Hannahs Graduate Research Assistant

QUESTIONNAIRE

1.	How long have your state parks ha	d a vehicle entrance fee?
2.	What is the vehicle entrance char	ge? Season,
	Daily	
3•	What was the true gross and true trance fee for the last fiscal ye	
	Gross	Net
4.	How is the revenue being used, de fee? Approximate per cent used. Land aquisition,	rived from the vehicle entrance Capital Improvements
	Administration,	Maintenance
	Other (specify)	
5.		to have a vehicle entrance permit
	Sites of Historic significance beauty	, Sites of unique state-wide
	Sites of geological or archeologi picnic areas, All state par	
6.	If your state has a legislative a entrance fee for state parks, wha year? \$	
	Has it decreased because of addit entrance fee?	

REMARKS:

TABLE I

POPULATION TRENDS OF THE STATE OF MICHIGAN

Census Date		PO	POPULATION		Ranks 7	Ranks 7th in Population		19% Increase	ease	
·		% of Increase Over Preceding		% of Increase Over Preceding		% of Increase Over Preceding	% of Total	ot a1	Gross Land Area	People Per.Sq.
	Tota1	Period	Urban	Period	Rura1	Period	Urben	Urban Rural	(Sq.Mi)	Mile
1961										.
1960	7,823,194	22.8%	5,739,132	22.1%	2,737,312	24.1%	6 5 %	35%	57,019	137.2
1950	6,371,766	21.2%	4,503,014	20.6%	2,205,601	22.1%	65.5%	34.6%	57,019	111.7
1940	5,256,106	8.5%	3,454,867	79•17	1,801,239	16.9%	68.2%	31.8%	57,019	92.2
1930	4,842,325	32.0%	3,302,075	47.3%	1,540,250	7.9%	61.1%	38.9%	57,019	84.9
1920	3,668,412	30.5%	2,241,560	68.9%	1,426,852	3.8%	47.2%	52.8%	57,019	64.3
1910	2,810,173	16.1%	1,327,044	39.3%	1,483,129	1.0%	39.3%	60.7%	57,019	49.3
1900	2,420,982	15.6%	952,323	30.4%	1,468,659	7.7%	34.9%	34.9% 65.1%	57,019	42.4
Source:	Source: U.S. Bureau of Census p.9.	u of Census,	, Eighteenth	Census of	Eighteenth Census of the United States:	[1960. Nu	mber of	1960. Number of Inhabitants	its,

TABLE II

CLASS OF WORKERS IN THE STATE OF MICHIGAN

		Class of Worker	Number	Per cent
I.	AGR	JCULTURAL		
	A.	Male Employed 100%	83,234	100.0%
		Private Wage and Salary Workers Government Workers	20,292 314	24.4% -4%
		Self-Employed Workers Unpaid Family Workers	58,571 4,057	70.4% 4.9%
		onpard raming workers	4,00	4.770
	В.	Female Employed 100%	8,886	100.0%
		Private Wage and Salary Workers Government Workers	2,851 31	32.1% •3%
		Self-Employed Workers	3,087	34.7%
		Unpaid Family Workers	2,917	32.8%
II.	NO	N-AGRICULTURAL		
	A.	Male Employed 100%	1,814,000	100.0%
		Private Wage and Salary Workers	1,481,081	81.6%
		Government Workers	164,329	9.1%
		Self-Employed Workers	167,242	9.2%
		Unpaid Family Workers	2,148	•1%
	В.	Female Employed 100%	819,944	100.0%
		Private Wage and Salary Workers	645,754	78.8%
		Government Workers	129,009	15.7%
		Self-Employed Workers	31,399	3.8%
		Unpaid Family Workers	13,782	1.7%

Source: U.S. Bureau of Census, Eighteenth Census of the United States: 1960. General Social and Economic Characteristics, p. 198.

TABLE III

AGE BY FIVE YEAR GROUPS
FOR THE STATE OF MICHIGAN
(By per cent)

A ===		Male	Fema	1e
Age Groups	1960	1930	1960	1930
Under 5	12.7%	9.4%	12.1%	9.8%
5-9	11.5	9.8	10.9	10.3
10-14	9.7	9.1	9•3	9 .7
15-19	7.1	8 .3	7•3	8.9
20-24	5.4	8.4	6.0	8.9
25 - 29	5.9	8.6	6.2	8.5
30-34	6.9	8.2	6.9	7.9
35-39	7.0	8.5	7•2	7.8
110-171	6.4	7•3	6.6	6.5
45-49	5 •9	6.0	5.8	5.4
50-54	5.2	4.7	5.0	4 .4
55 - 59	4.6	3.6	4•4	3.5
60-64	3.8	2.8	3•7	2.8
65-69	3.2	2.2	3•2	2.2
70-74	2.3	1.5	2.4	1.6
75 and over	2.3	1.5	2.9	1.6
Median Age	28.0	27.9	28.5	26.4

Source: U.S. Bureau of Census, <u>Eighteenth Census of the United</u>
States: 1960. General Population Characteristics, p. 46.

TABLE IV

INCOME FOR 1959 and 1949 of FAMILIES FOR THE

STATE OF MICHIGAN

	1959	1949
Total Families	1,943,960	1,624,875
Income Ranges	Number of Families	Number of Families
Under \$1000	73,009	152,240
\$1000-\$1 999	109,991	148,225
\$ 20 00 –\$ 2999	121,786	258,740
\$3000-\$3999	140,290	368,075
\$4000-\$4999	201,425	229,460
\$5000-\$5999	265,926	153,160
\$6000-\$6999	232,407	90,790
\$7000-\$9999	461,111	98,515
\$10,000 and over	338,015	52,180
Median Income	\$ 6,256	\$3, 588

Source U.S. Bureau of the Census, Eighteenth Census of the United States: 1960 General, Social and Economic Characteristics, p. 208.

TABLE V

PRIVATELY OWNED MOTOR VEHICLE REGISTRATIONS IN 1HE UNITED STATES

Number		Number 158,377	1925	Number 17.439.701	1940	Number 27,372,397
	1911	618,727	1926	19,220,885	1941	29,524,101
	1912	901,596	1927	20,142,120	1942	27,868,746
	1913	1,190,393	1928	21,308,159	1943	25,912,730
	1914	1,664,003	1929	23,060,421	1944	25,466,331
	1915	2,332,b26	1930	22,972,745	1945	25, 591, 434
	1916	3,367,889	1931	22,330,402	1946	28, 100, 188
	1917	4,727,b68	1932	20,832,357	1947	30, 718, 853
	1918	5,554,952	1933	20,586,284	1948	33, 213, 905
	1919	6,679,133	1934	21,472,078	1949	36, 312, 380
	1920	8,131,522	1935	22,494,884	1950	40,185,146
	1921	9,212,158	1936	24,108,236	1951	42,525,217
	1922	10,704,076	1937	25,390,773	1952	43,653,545
	1923	13,252,019	1938	25,167,030	1953	46,289,129
	1924	15,436,102	1938	26,139,526	1954	48,323,909

Automobile Manufacturers Association, Automobile Facts and Figures, (35th edition; Detroit, Michigan: 1955) Source:

TABLE VI

TOTAL ATTENDANCE TO MICHIGAN

STATE PARKS FROM 1956 to 1961

Year	Day Visitors	Cabins	Hotel	Organized Camps	Tent or Trailer	Total
1961	10,930,219	117,411	3,214	167,111	2,270,000	13,385,922
1960	15,933,935	12,90h	6,011	156,709	2,034,455	18,144,019
1959	16,801,846	11,12h	6,397	171,330	2,013,169	19,003,866
1958	15,001,234	8,282	ηος * 9	164,162	1,839,014	17,019,596
1957	15,202,947	7,856	4,520	162,959	1,679,525	17,057,807
1956	15,710,229	6,355	2,877	146,242	1,430,690	17,296,393

Source: Division of Parks and Recreation, Michigan Department of Conservation.

-95-

TABLE VII

REVENUE FROM OPERATIONS IN MICHIGAN STATE PARKS

(Not including vehicle entrance fee)

Year	Total Revenue
1961	\$836,745.00
1960	8 2 2,685 .77
1 959	798,457.65
1958	690,399.12
195 7	623,827.31
1956	430,931.90
1955	403,267.52
1954	320,345.88

Source - Records of Michigan Department of Conservation, Parks and Recreation Division.

TABLE VIII

- EXPENDITURES BY DIVISION OF PARKS AND RECREATION

Michigan Department of Conservation (In Dollars)

YEAR	OPERATI	TION AND MAINTENANCE	TENANCE		CAPITAL EXPENDITURES	URES	Ē
	Salaries and Mages	Supplies & Equipment	Total	Lands	Lands Improvement	Total	lotal Expenditures
1961	1,829,218	50h, 79h	2,339,012	14,516	176,035	220,621	2,559,633
1960	1,790,241	501,053	2,291,294	3,773	13,968	17,741	2,309,035
1959	1,569,748	363,328	1,933,076	659	61,628	62,287	1,995,363
1958	1,564,904	470,876	2,035,780	1,416	1,219,285	1,220,701	3,256,481
1957	1,365,957	140,968	1,806,925	69,173	1,886,573	1,955,746	3,762,671
1956	1,170,117	397,475	1,567,592	71,828	1,196,483	1,268,311	2,835,903

TABLE IX

ATTENDANCE TO MICHIGAN STATE PARKS (1960 and 1961)
AND RESULTS OF THE ENTRANCE FEE ON
ATTENDANCE AND GROSS REVENUE DERIVED.

	Resist-				•	
	ance	Attendance	lance	Entrance Fee		
Area	to Fee	1960	1961	Amt.Collected	Acreage	Location
Albert E. Sleeper State Park	13.6%	191,832	165,581	10,700	921	Huron Co.
Albonac State Park	23.4%	87,475	66,971	8,055	. 981	St. Clair
Aloha State Park	60.5%	31,626	36,165	1,177	11	Cheboygan
Bald Mtn. State Recreational	Required	in only portion	tion of			•
Area	park	i		124	2012	Oakland
*Baraga State Park	54.8%	84,949	38,359	1,560	* 39	Baraga
Bay City State Park	60.1%	720,680	287,045	19,388	196	Bay
Benzie State Park	ಜ್ಞ	in only por	tion of par		180	Benzie
Brighton State Rec. Area	15.5%	150,69h	127,299		- 4442	Livingston
*Brimley State Park		71,079	72,382		* 151	Chippews .
Burt Lake State Park		140,348	140,348 111,790	6,953	601	Cheboygan
OH Day State Park	Required	in only por	in only portion of park		1989	Leelanau
Dodge Brothers State Park #4	1.7%	702,104	668,57 <u>i</u> 4	35,532	. 136	Oakland
	26.1%	292,532	216,048	5,404	* 336	Houghton
Fayette State Park	Required	in only por	in only portion of park	7 4	102	Delta
c. Area	Not requi	red			1228	Kalamazoo
ark	149.2%		116,714	8,012	* 190	Keweenaw
rea	51.6%		39,790	1,661	365	Gladvin
*Gogebic Lake State Park	38.7%		57,020	2,553	* 401	Gogebic
rk	38.1%		1,086,903	33,573	87	Ottawa
ነት	10.0%		75,974	4,379	42	Alcona
Hartwick Pines State Park	46.9%		141,143	9,617	8938	Crawford
Park	5. %		179,735	14,204	305	Roscomnon

	Resist- ance	Attendance	lance	Entrance Fee		
Area	to Fee	1960	1961	Amt.Collected	Acreage	Location
Highland State Rec. Area						
Incl. Dodge Bros. No. 10	18.5%	159,078	129,570	11,620	5407	Oakland
Holland State Park	28.2%	1,274,000	913,573	41,929	6 7	Ottawa
Holly State Rec. Area	12.1%	147,975	392,700	12,409	6059	Oakland
*Indian Lake State Park	18.9%	89,317	72,379	3,754	=667	Schoolcraft
Interlochen State Park	2.5%	248,480	243,011	6,472	186	Grand Traverse
Island Lake State Park			•			
Dodge Bros. No. 1	Not re	Not required.				
Island Lake State Rec. Area	11.8%	165,561	410,625	25,548	82	Livingston
Lakeport State Park	48.1%	374,946	193,360	14,664	374	St. Clair
Ludington State Park	34.78	423,725	276,442	12,562	3711	Mason
*Muskallonge State Park	Not required	uired	•	•	* 92	Luce
Muskegon State Park	31.7%	752,810	514,000	12,669	1125	Muskegon
Onaway State Park	18.%	62,082	50,287	1,713	158	Presque Isle
Orchard Beach State Park	33.1%	77,620	51,905	3,567	201	Manistee
Ortonville State Rec. Area						
Incl. Blaimer No. 3	20°6%	312,876	248 ,378	13,641	3853	Lapeer
Otsego Lake State Park	1.2%	105,465	104,110	7,656	62	Otsego
*Palms Book State Park	29.1%	50,273	35,612	3,522	* 308	Schoolcraft
Pinckney State Rec. Area	46.3%	98,399	144,035	15,738	94 81	Washtenaw
Pontiac Lake State Rec. Area	70.0	213,549	204,876	18,914	3391	Oakland
*Porcupine Mtn. State Park	16.4%	179,250	149,706	10,897	*58167	Ontonagon
Port Crescent State Park	Not required	uired			164	Huron
Broad Lake State Rec. Area						
Incl.Dodge #5 & Bloomer #1	29.0%	62°110	44,272	9,216	3289	O akl and
Rochester-Utica State Rec. Area	g B		•	•		
Inc. Dodge #8 & Bloomer #3	21.6%	539,200	422,514	29, 825	90 3=	Oakland
Silver Lake State Park	28.6%	139,795	99,765	4,526	1780	Oceana
Sleeping Rear State Park	13.6%	191,832	165,581	10,700	1762	Leelanau
Sterling-Monroe State Park	28.15	911,246	651,726	34,252	729 730	Monroe
*Straits State Park	23.0%	172,535	132,010	702.6	02 1 *	Mackinac

183,376

716,267

27.3%

Average

Snurance Fee Amt.Collected Acreage Location	25,344 * 17992 Luce 5,308
1961	171,356 142,295 82,310 403,244 538,038 69,041 75,825 175,338 50,912
Attendance 1960	197,589 172,010 125,965 568,219 561,170 119,222 57,720 82,364 247,559 101,684
Resistance ance to Fee	13 24 14 15 16 17 17 17 17 17 17 17 17 17 17 17 17 17
Area	*Tahquamenon Falls State Park Traverse City State Park *Van Riper State Park Warren Dunes State Park Waterloo State Rec. Area *Wells State Park White Cloud State Park Wilderness State Park Wilson State Park Yankee Springs State Rec.Area Young State Park

Part 1

TABLEX

SUPPLIARY OF QUESTIONNAIRE RETURNS

	Length of Time State	į		•	Capital	•	
	Has Had An Entrance Fee	Season	Charge Daily	Land Acquisition	Improve- ments	Admini- stration	Main- tenance
	No answer						
	17 yrs	No	.50-1.00				
			per car				
	4-week period	and then t	4-week period and then terminated by legislature	slature			
	22 yrs	\$2.25	.50 per car		50%		77 808
	No answer				•		
Massachusetts	20 yrs	\$10°0	1.00 per car		All fees go into general fund	fund	
	9 yrs	\$2,00	.50 per car		23%	23%	5 5 5 5 7 7
New Hampshire	Not Stated	No	.25 per per-				
			son of 14 yrs.				
	27 yrs	No	.25 per car &	-#	All fees go into general fund and	ral fund and	
	•		.25 per person		influence appropriations.	ons.	
	33 yrs	No	.50 per car	100%			
	Did away with	vehicle en	Did away with vehicle entrance fee now .25 per adult high school age and above.	25 per adult h	igh school a	ge and above	•
	26 yrs	Yes Not	.30 per car				
	•	Stated	parking fee				
	1 yr	\$5°0	.50 per car			70% %	% 50
Rhode Island	1 beach has	()					
	T T	\$2.€C	I.(V) per car				

Part 2

TABLE X

		Gross Return From Entrance Fee	\$ 331,092,55	\$ 146,231,00 \$ 494,775,10	\$ 119,808.75	\$ 147,333.00 Net 64,800.00	\$ 63,791.00 \$1,034,497.00	\$ 37,552.80	\$ 34,865.56
		Has Revenue From Entrance Fee Decreased the Appropriation?	Revenue goes to general fund.	o Q	partially	ou	ou	ou	
	IRE RETURNS	State Legislative Appropriation.	\$ 4,722,900	\$ 1,028,800 61-63 noth-	ing \$ 805,700	areas All areas over \$ 439,100 50 acres	\$13,500,000	\$ 305,135.	\$ 968,467
TABLE X	SUMMARY OF QUESTIONNAIRE RETURNS F	Other	All parks it pays to collect in.	All parks	All day use	areas All areas ovo 50 acres	All parks	All parks State Forest	Rec. Areas
	SUMMARY IVE	Camp and Picnic						yes	
	TO HAN	State- Wide Beauty						yes	
	AREAS REQUIRED ENTRANCE FE	Historic	yes						
Part 2		State	California Connecticut	D elaware Florida India na	Maryland Massa c husetts	Minnesota	New Hampshire New Jersey New York	vermont Virginia Wisconsin	Rhode Island

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