

Department of Legislative Services  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**

Senate Bill 170 (Senator Jacobs, *et al.*)  
Education, Health, and Environmental Affairs

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**State Parks - Veterans - Free Admission and Use**

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This bill requires the Department of Natural Resources (DNR), on request, to issue a lifetime pass for free admission to and use of Maryland State parks to a veteran who has an honorable discharge from active service with a uniformed service of the United States. DNR may restrict admission to and use of an individual State park under the bill if the park is being used to capacity.

The bill takes effect June 1, 2003.

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**Fiscal Summary**

**State Effect:** Special fund revenues into the State Forest or Park Reserve Fund will likely decrease beginning in FY 2004 as a result of the establishment of the free lifetime pass for veterans. To the extent revenues decrease, expenditures for payments to counties from that fund will also decrease. General fund expenditures will increase to produce and issue passes; any such increase will depend on the number of passes issued.

**Local Effect:** Local revenues from the State Forest or Park Reserve Fund will likely decrease beginning in FY 2004. Any such decrease cannot be reliably estimated at this time.

**Small Business Effect:** Minimal.

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## Analysis

**Current Law:** In addition to daily admission fees, DNR issues season passes, youth group passes, Golden Age passes, and Access Maryland passes to State forests and parks. The Golden Age Pass (available to individuals at least 62 years of age) is good for free entry into all State parks that charge service fees. The pass is valid for half price camping on specified days, but cannot be used for rentals and other facility use fees that may be charged. The Access Maryland Pass entitles individuals with disabilities to free lifetime entry into State parks.

Fees for admission to and use of State forests and parks vary. All fees are paid into the State Forest or Park Reserve Fund. Each county in which any State forest or park reserve is located must be paid annually out of the fund 15% of the revenue derived from the State forest or park reserve located in that county. Each county in which the forest or park reserve comprises 10% or more of the total land area of that county must be paid annually out of the fund a sum equal to 25% of the revenue derived from the State forest or park reserve located in that county.

**Background:** According to the U.S. Department of Veterans Affairs, there will be an estimated 24.5 million U.S. veterans as of September 30, 2003. The number of Maryland veterans is estimated at 477,152. The number of veterans is expected to decline in the out-years.

**State Revenues:** By exempting veterans from admission and use fees, special fund revenues into the State Forest or Park Reserve Fund could decline beginning in fiscal 2004. (Although the bill takes effect June 1, 2003, it is assumed that DNR would not begin to actually issue the new passes until fiscal 2004). Any such decrease cannot be reliably estimated at this time. First, the number of veterans who will choose to obtain the free pass is unknown. (Legislative Services notes that the bill applies to all U.S. veterans, not just veterans who are residents of Maryland). Second, of those who obtain the free pass, the number who would otherwise use State parks (and pay associated entry and user fees) is unknown.

DNR advises that it generates approximately \$6 million in special fund revenues annually from fees that would likely be affected by the bill, such as park entry, camping, and shelter fees. For illustrative purposes only, if 10% of the revenues generated under current law comes from veterans who, under this bill, request a free pass, revenues would decrease by \$600,000 annually. If 1% of the revenues comes from those individuals, revenues would decrease by \$60,000 annually.

**State Expenditures:** The cost to DNR to produce and administer the new lifetime pass will vary depending on the number of passes issued. Because the number of veterans

who will request a free lifetime pass is unknown, a reliable estimate of the increase in general fund expenditures cannot be made at this time. DNR advises that each pass will cost approximately \$2 to produce. To the extent DNR needs to hire any seasonal contractual employees to issue passes as a result of this bill, expenditures would increase by approximately \$15,000 annually per employee. It is expected that most veterans would obtain the lifetime pass within two to three years; accordingly, costs to produce and issue passes would likely decrease beginning in fiscal 2006 or 2007.

Pursuant to current law, counties receive payments from DNR out of the State Forest or Park Reserve Fund. Accordingly, to the extent park revenues decrease as a result of this bill, special fund expenditures for payments to counties will also decrease. Any such decrease cannot be reliably estimated at this time.

**Local Revenues:** Each county in which any State park is located must be paid annually out of the State Forest or Park Reserve Fund 15% of the revenue derived from the State forest or park reserve located in that county. Each county in which the forest or park reserve comprises 10% or more of the total land area of that county must be paid annually out of the fund a sum equal to 25% of the revenue derived from the forest or park reserve located in that county. Accordingly, to the extent special fund revenues decrease as a result of the bill, local revenues will decrease as well.

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### **Additional Information**

**Prior Introductions:** An identical bill was introduced as HB 658 of 2002. The House Environmental Matters Committee held a hearing on the bill, but no further action was taken.

**Cross File:** HB 128 (Delegate Boutin, *et al.*) – Environmental Matters.

**Information Source(s):** Department of Natural Resources, U.S. Department of Veterans Affairs, Department of Legislative Services

**Fiscal Note History:** First Reader - February 3, 2003  
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