



COUNTY ROAD ASSOCIATION OF MICHIGAN

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PRESS RELEASE

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Constitution Prohibits Parks Plan

Lansing, Mich. - As State officials meet to discuss the Fiscal Year 2010 Budget, the County Road Association of Michigan (CRAM) urges the Legislature to move forward within the confines of Michigan's Constitution.

According to CRAM Director, John Niemela, "Although some of the ideas discussed recently may sound good in theory, I believe they violate the Michigan Constitution and could not be enacted without a vote of the people."

Last week, a plan was announced to the media that would change the funding mechanism for Michigan's State Parks. Proponents of the plan would add an optional \$10 fee to vehicle registration fees in replacement of the daily or annual passes which currently fund State Parks. "Michigan's State Constitution is very clear on this issue," Niemela said. "The Constitution specifically states that all taxes on registered motor vehicles shall be used exclusively for transportation purposes."

Michigan's last increase in transportation funding occurred in 1997. Since that time, revenues to the Michigan Transportation Fund, which includes vehicle registration fees, have fallen below the level of collections in 1998.

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“Michigan’s road agencies are struggling to maintain our transportation network with 2009 costs and less revenue than we had available in 1998,” Niemela said. “It is irresponsible to consider increasing vehicle registration fees for anything other than its constitutionally intended purpose, the improvement of Michigan’s transportation infrastructure.”

Traditionally, State Parks have been funded with user fees and resources from Michigan’s General Fund budget. Michigan’s roads and bridges are funded solely through the Michigan Transportation Fund (fuel taxes and vehicle registration fees) and have not benefited from General Fund appropriations.

The Michigan Chamber of Commerce which supports increasing vehicle registration fees for Michigan’s roads and bridges has called this plan, “just plain bad public policy,” and “an exercise in wishful thinking.”

“There are many good programs that deserve funding, and given the financial difficulties facing our state, some may not be funded,” Niemela said. “We must fund the programs that benefit all Michigan taxpayers. The tangible things like roads and bridges that will stimulate our economy and bring jobs back to Michigan must be funded at appropriate levels.”

“Michigan’s transportation user fees (fuel taxes and vehicle registration fees) are constitutionally protected to prevent these funds from being raided for even the best programs,” Niemela said. Allowing the diversion of vehicle registration fees for even one program would erode the protections and start a dangerous trend.”

“Parks and transportation each have a unique system of user fees,” Niemela said. “Motorists should not be burdened with increased vehicle registration fees because the General Fund does not have sufficient revenue for Michigan’s State Parks. If State Parks need more revenues, they should look at increasing the user fees available to them under current law.”

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