



Outdoor Recreation Endorsement

Report to the Legislature

As required by MN Laws 2025, 1st Special Session, Chapter 1, Art. 4, Sec. 25

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Report to the Minnesota Legislature

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Legislative charge

This report fulfills the requirement of MN Laws 2025, 1st Special Session, Chapter 1, Art. 4, Sec. 25. Specifically:

“Sec 25. OUTDOOR RECREATION ENDORSEMENT RECOMMENDATIONS. By January 15, 2026, the commissioner of natural resources, in consultation with the commissioner of public safety and deputy registrars, must submit recommendations, including a draft statutory framework, to the chairs and ranking minority members of the legislative committees with jurisdiction over environment and natural resources and transportation on establishing an outdoor recreation endorsement to provide for reduced state park vehicle entrance fees and to provide support for state parks and other units of the outdoor recreation system as classified in Minnesota Statutes, section 86A.05.”

Overview

Minnesota's lands and waters are iconic—woven into our identity and supported by a robust public commitment to conservation and state-managed outdoor recreation system admired across the country. Whether it is a scenic family picnic at a state park, a summer camping trip in a state forest, or a fall deer hunt in a wildlife management area (WMA), our public lands connect Minnesotans to nature, community and each other. They also make important contributions to the state's recreation economy, environment, and public health. State spending on conservation and outdoor recreation is limited and has not kept pace with the increasing costs necessary to operate and maintain Minnesota's outdoor recreation system. Typically, less than 2.5% of the state budget supports all environmental and agriculture agencies combined—including the Minnesota Department of Natural Resources (DNR), Minnesota Pollution Control Agency, and the Minnesota Department of Agriculture and related entities. The outdoor recreation system receives only a small fraction of that already modest share.

In addition, user fees for state parks can't keep pace with rising costs while still ensuring the DNR can appropriately steward resources and provide open, affordable access to the outdoors for all people. Proposals to increase state park vehicle permit fees in the last three biennia have not advanced in the legislature. As a result, new approaches are needed to sustain the quality of visitor experiences and ensure the long-term health of the state's outdoor recreation system.

During the 2025 legislative session, lawmakers raised concerns about increasing fees for state park vehicle permits. As an alternative, the DNR brought forward the idea of creating an outdoor recreation endorsement as a key initiative within the DNR's *4 The Outdoors* framework, which seeks sustainable, long-term funding for Minnesota's natural resources and outdoor recreation system. Before moving forward, the legislature directed the DNR to study this model as a potential alternative to the current state park vehicle permit system and report back with findings and recommendations.

This report describes the outdoor recreation endorsement (ORE) concept, explaining how it would function, the benefits it would offer to Minnesota and Minnesotans, and the ways it could strengthen the state outdoor recreation system and conservation. It also outlines a proposed implementation framework, including agency roles, pricing, revenue distribution, and key recommendations for legislative consideration.

What is an outdoor recreation endorsement?

An ORE model is a simple way for Minnesotans to support the DNR's recreation and conservation work across the outdoor recreation system while also gaining lower-cost access to state parks and recreation areas. With this model, anyone registering or renewing a passenger vehicle, noncommercial truck, motorcycle or recreational vehicle registration in Minnesota could choose to add an ORE by checking a box during the registration process. By doing so, the registrant would be consenting to pay a modest additional charge to help fund state outdoor recreation and conservation activities. Vehicles for which the ORE was purchased would be identified via a mark on their annual license tabs and would be afforded year-round access to all Minnesota state parks, recreation areas and state waysides—no separate transaction or windshield sticker required. The ORE would be priced lower than an annual state park vehicle permit, thereby making it easier and less expensive for Minnesotans to enjoy our exceptional park system.

The convenience and low cost of this approach would encourage participation and is expected to generate more revenue than the current state park vehicle permit. This revenue would then be used to manage parks, recreation areas, trails, as well as support conservation and outdoor recreation in other state-managed areas. Similar programs in Michigan and Colorado demonstrate that this model works: when access is simple and affordable, more people choose to participate. This approach also gives more Minnesotans a straightforward way to support outdoor recreation and conservation—without the administrative burden of a new permit or pass.

Funds from the ORE would be deposited in a new account dedicated to supporting conservation, operations and maintenance across Minnesota's state outdoor recreation system. This would include, but not be limited to, conservation and management of the state parks, trails, and recreation areas supported by the current state park vehicle permit.

A funding model for the future

Minnesota's state outdoor recreation system and conservation work depends on a mix of user fees and dedicated funding sources to supplement state general fund appropriations, but these mechanisms are limited in the kinds of things they can support. While Minnesotans have shown strong support for outdoor recreation and conservation through the Environment and Natural Resources Trust Fund and the Legacy Amendment, those funds are constitutionally dedicated to specific uses and are not available to support key operations and management needs. As a result, resources for essential upkeep and visitor services remain constrained.

The ORE offers a practical solution—a reliable base of funding that grows with participation. Over time, this model has the potential to provide steady support not only for state parks, trails, and recreation areas, but also for the conservation and management of the broader state outdoor recreation system. By engaging more Minnesotans at a lower cost, the program makes it easier for people to access and enjoy state parks and recreation areas. At the same time, it helps ensure that these natural and recreational resources across all units of the outdoor recreation system are managed sustainably for future generations.

Other states have faced similar funding challenges and have successfully used registration-linked passes and endorsements to stabilize and grow funding for outdoor recreation. Their experiences provide useful guidance for shaping a Minnesota-specific approach that also benefits the conservation efforts that sustain Minnesota's outdoor recreation opportunities.

Successes and lessons learned from other states

Minnesota DNR's proposal for an outdoor recreation endorsement is based in part on careful consideration of experiences in other states that have raised significant, sustained revenue by tying small, recurring fees to vehicle registration or by creating low-cost statewide passes. The cases below summarize how three states structured their programs, what worked (and what did not), and specific lessons Minnesota can apply to its own model.

Michigan—Recreation Passport

Michigan's Recreation Passport is an example of a successful vehicle registration-linked funding model, demonstrating that strong participation and revenue can be achieved with an “opt-in” design. When residents renew their vehicle registration, they have the option to add the Recreation Passport to their renewal (i.e., opt in). The Recreation Passport costs a modest fee (currently \$15 per year for passenger vehicles) and is required for motorized vehicle access at Michigan's state parks, recreation areas, state-managed boating access sites, state forest campgrounds, and thousands of miles of trails and other outdoor spaces. Due to the ease of purchase and modest price, the Recreation Passport program now raises over \$40 million annually for Michigan's outdoor recreation system.

The Recreation Passport was priced at \$10 when the program launched in 2010 and has incrementally increased over the years to \$15 in 2026. In addition to the ability to opt-in as part of their annual vehicle registration, residents can purchase the Recreation Passport at a state park, recreation area or Michigan DNR customer service center with an additional convenience fee. While offering multiple purchase options provides residents with flexibility, the majority of Recreation Passports are obtained during annual vehicle registration. Michigan's model also includes differential pricing for non-residents, with non-residents paying \$41 for an annual permit and \$11 for a daily permit.

Since its inception, the Recreation Passport has become a durable funding source for Michigan's outdoor recreation system. In the first year alone, the number of passports sold to residents exceeded by 86% the prior year's state park vehicle permit sales. Since then, year over year growth has averaged roughly 4% per year. Currently, approximately 36% of eligible vehicles in Michigan participate in the passport program.

Factors contributing to Michigan's success include:

- **Embedding the purchase in a transaction residents already complete each year.** Offering the Recreation Passport during vehicle registration makes the process convenient and ensures high visibility. Michigan DNR is currently pursuing legislation to transition their model to include the Recreation Passport in vehicle registrations and renewals by default with the option to opt-out, aiming to further increase participation and revenue.
- **Setting a price low enough to encourage broad adoption.** The price of the Recreation Passport was set significantly lower than a traditional park permit, and even with incremental price increases over time has remained less expensive, encouraging growth in participation.
- **Transparent allocation of funds.** Revenues are clearly directed across operations, capital projects, and local recreation grants, building both public trust and legislative confidence.
- **Flexible options for participation.** On-site purchases at parks remain popular, often exceeding expectations. This suggests that offering on-site purchases can generate additional revenue, and a higher price or convenience fee helps to balance increased administrative costs.

Colorado—Keep Colorado Wild Pass

Colorado is the latest state to transition to a vehicle registration-linked endorsement model for state park access. Colorado's Keep Colorado Wild Pass, which went into effect in 2023, demonstrates how thoughtful product design and clear communication can drive strong participation. Colorado framed the pass as a simple,

low-cost way for residents to support parks, wildlife and search-and-rescue services, and paired the launch with strong public outreach that emphasized both value and impact. The pass is included automatically in the vehicle registration process, unless a resident chooses to opt out during the vehicle registration process. Over its first two years, the program has generated tens-of-millions of dollars annually in new revenue and has quickly become an important part of Colorado's conservation and outdoor recreation funding.

The price for Colorado's pass is \$29 and it must be purchased through the Division of Motor Vehicles (DMV) during the vehicle registration process; it cannot be purchased at Colorado Parks and Wildlife (CPW) locations. An annual state parks pass is still available for residents and non-residents to purchase at Colorado state parks, CPW offices, or online at a cost of \$80 for an annual permit.

Factors contributing to Colorado's success include:

- **Convenience and integration:** Embedding the pass in the vehicle registration process—and including it by default with the option to opt out—made it highly visible during a routine state interaction, encouraging strong participation. The opt-out design led to higher initial uptake than an opt-in approach would likely have achieved, helping the program generate substantial revenue in its first year.
- **Discounted pricing:** At \$29, the pass offers significant savings (almost 64%) relative to the traditional \$80 annual parks pass, making it more affordable while still generating substantial funds.
- **Broad use of funds:** CPW deliberately structured the program to support safety (search and rescue, avalanche response), wildlife and education in addition to state parks, which strengthens buy-in from diverse outdoor stakeholders.

Kansas—State Parks Passport

Kansas's State Parks Passport provides another useful example of vehicle registration-linked funding models, highlighting some of the benefits and challenges of voluntary, opt-in approaches. The Passport is available during vehicle registration at a reduced price of \$15.50, but residents must actively request it—the offer is not automatically included as an option on the vehicle registration form. In addition, Kansas continues to offer \$5 daily park permits and \$25 annual permits to both residents and non-residents, giving people multiple alternative ways to access state parks.

Because residents must take the initiative to request the Passport and similarly priced alternatives are readily available, participation in the program has been lower than anticipated. Nonetheless, Kansas has experienced gradual growth in revenue from combined Passport and permit sales since the Passport program's inception in 2013, demonstrating that opt-in programs can generate additional funds if marketed effectively.

Lessons learned from Kansas's program include:

- **Limited Reach:** Because residents must actively request the Passport during vehicle registration, this reduces the visibility of the program, inhibiting uptake in program participation.
- **Competing options:** Continuing to offer comparably priced daily and annual permits outside the Passport model reduces the incentive for residents to switch to the new program, making it harder to achieve high uptake.

- **Stagnant pricing:** Unlike other opt-in states, Kansas has not increased the price of its Passport since the program's launch in 2013. While this has likely helped grow participation, revenue has not grown at the same pace as states like Michigan.

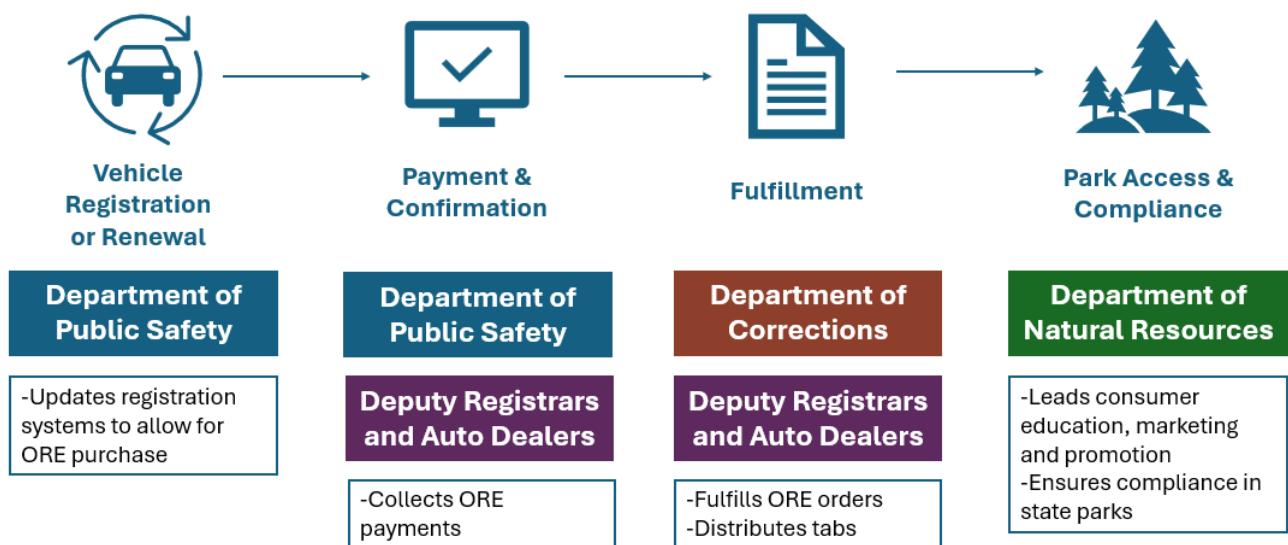
Key takeaways for Minnesota

Experiences from Michigan, Colorado and Kansas offer valuable insights as Minnesota considers its own ORE model. Across states that have adopted a vehicle registration-based approach, the strongest results come from making the purchase easy, visible and integrated into a transaction residents already complete each year. Michigan and Colorado demonstrate that pricing significantly lower than traditional park vehicle permit options and clear communication about the benefits of the pass or endorsement can build long-term public trust and support. Colorado shows that an opt-out approach can further increase participation—a reason Michigan is now exploring a shift to an opt-out model. At the same time, Michigan's sustained success with an opt-in approach demonstrates that strong uptake is still achievable when the offering is simple and well messaged. These states' experiences also illustrate the importance of minimizing administrative complexity and avoiding undercutting the new model with too many similar-cost alternatives, as seen in Kansas. Together, these lessons suggest that Minnesota can design a durable and viable endorsement model by keeping the price accessible, embedding the offer directly into vehicle registration, ensuring clarity in how funds are used, and streamlining the user experience from purchase through park entry.

The Minnesota model framework

Agency roles and responsibilities

Integrating the ORE into existing vehicle registration systems will require collaboration and coordination across state agencies, including the DNR, Department of Public Safety (DPS), and Department of Corrections (MINNCOR), and with other public and private entities including deputy registrars and auto dealerships. The proposed roles and responsibilities of each entity are shown in the graphic below.



All costs incurred by both public and private partners would be compensated through revenues generated by ORE sales. In addition, deputy registrars would be compensated on a per-transaction fee basis for their role in ORE sales and inventory (i.e. ORE license tabs) management.

Implementation timeline

Implementation of this new model would take at least 18 months from the time of enactment to public launch. For example, if enacted in the 2026 Legislative Session, the start date could be January 1, 2028. During this 18-month period, DPS estimates that approximately 400 hours of programming effort would be required to update and test this new functionality in the vehicle registration system. Launching the system publicly at the start of a calendar year is preferred, to coincide with existing DPS systems update cycles and to prepare for increased outdoor recreation activity in the spring and summer seasons.

Purchase options and pricing: current and proposed

Currently, funding for Minnesota's outdoor recreation system is built on a mix of license and fee revenues, general funds and other dedicated revenues—all of which must grow to keep pace with rising costs, which has proven challenging.

The last increase to Minnesota's state park vehicle permit fees occurred in 2017 when the legislature approved an increase to the annual permit from \$25 to \$35 and the daily permit from \$5 to \$7. Since then, the costs of maintaining state park and outdoor recreation area facilities, managing natural resources and providing high-quality visitor experiences have continued to rise, while permit prices have remained flat. Although the DNR proposed additional fee increases in recent legislative sessions (2021, 2023 and 2025), the proposals did not garner sufficient support. The costs of operating and maintaining other units of the outdoor recreation system have similarly continued to increase, as have both the costs and needs associated with conservation. Funding sources for these units also have not increased at a rate sufficient to keep up with costs.

The following table shows current and previously proposed state park vehicle permit fees.

Table 1: Current and previously proposed state park vehicle permit fees

Permit Type	Current Fee	Previously Proposed Fee ¹
Daily state park vehicle permit	\$7/day	\$10/day
Annual state park vehicle permit	\$35/year	\$45/year

Rather than relying on higher permit prices, an ORE would link the purchase to a familiar and routine activity for most households to expand participation, strengthening and stabilizing the funding base for state parks and recreation areas and expanding funding for other parts of the outdoor recreation system.

¹ These fees were proposed in 2021, 2023 and 2025 but were not enacted.

In addition to the option to purchase the ORE through the vehicle registration process, DNR would also provide options for purchase “just-in-time” at parks and through DNR offices and daily and annual permit options for out-of-state visitors.

The table below shows the proposed price of ORE options and the proposed price of the permits for non-residents.

Table 2: Proposed outdoor recreation endorsement and state park vehicle permit fee structure

Product Type	Year 1	Year 3	Year 5
Outdoor recreation endorsement (ORE)	\$15	\$17	\$19
“Just-in-time” ORE	\$27	\$29	\$31
Non-resident daily permit	\$15	\$15	\$15
Non-resident annual permit	\$45	\$45	\$45

When purchased as part of the annual vehicle registration process, the ORE would cost \$19 per year. To encourage early participation, the ORE would be offered at a discounted rate of \$15 during the first two years and \$17 in years 3 and 4, reaching \$19 in year 5—still well below the cost of the current annual permit.

“Just-in-time” endorsement pricing

If Minnesotans want to purchase the ORE at any time other than during their annual vehicle registration, they could purchase a “just-in-time” ORE at a state park or recreation area, DNR license center, or through the DNR’s website. Instead of receiving tabs for their license plate, they would receive a state park window sticker that expires in the same month as their next vehicle registration renewal. This structure encourages residents to purchase the ORE through the annual registration process in subsequent years, while still allowing “just-in-time” access to state parks and recreation areas. The “just-in-time” cost is set higher than the vehicle registration-linked price (\$27 in first two years, gradually increasing to \$31 by year five of implementation) to reflect additional administrative costs and to preserve the incentive for residents to purchase the ORE during their annual registration renewal. The DNR acknowledges the need for a thoughtful transition to the new system in the first year of implementation, particularly as vehicle registrations come up for renewal, to avoid duplicative or unnecessary costs for residents.

Non-resident state park vehicle permit pricing

The proposal to adopt the ORE model also includes the establishment of new daily and annual permit options for non-Minnesotans, priced at \$15 and \$45, respectively. Establishing a differential pricing structure for out-of-state visitors aligns the state with national practices, ensuring non-residents contribute meaningfully to the upkeep of the parks and recreation areas they visit. This approach strengthens long-term financial sustainability and mirrors the structure used in many other states. Offering residents a lower rate through the ORE acknowledges their ongoing investment through multiple ways in Minnesota’s outdoor recreation system and natural resources and is expected to be well received by the public.

Other options for accessing state parks

The Minnesota State Parks and Trails specialty license plate would remain an ongoing option for residents who wish to purchase it. Although the ORE is designed to simplify and broaden access, this specialty plate would continue to serve as a mechanism for both state park entry and voluntary support of the state parks and trails system. The ORE could be added to any license plate, including the State Parks and Trails specialty plate or the Reinvest in Minnesota Critical Habitat plates. The ORE is intended to complement, not replace, the contributions made through existing DNR specialty license plates.

The ORE would not affect existing discount or free park permit programs. Current provisions, including permits for Minnesotans with disabilities, qualifying veterans, and members of Tribal Nations in Minnesota, would remain unchanged and continue to operate as they do today. The ORE is designed to work alongside these programs, expanding participation and revenue without altering existing special access provisions.

The proposal does not include a daily permit option for residents. The experiences of other states with vehicle registration models have shown that the availability of daily permit options contributes to decreased participation in the vehicle ORE program, reduces revenue, and makes the system more complicated for visitors and more complicated to administer. Even with the elimination of the daily permit, the DNR believes the dramatically reduced cost of participation under the proposed ORE price structure would lead to overall improvement in equity and access for Minnesotans. The Minnesota State Parks Library Program would also remain in place, offering a no-cost option that allows many Minnesotans to continue accessing state parks free of charge.

If the ORE model is *not* implemented, a fee increase of both daily and annual state park vehicle permits for residents and non-residents (currently priced at \$7 and \$35, respectively) would be needed to keep pace with the operational costs at state parks and recreation areas. Future increases to permit fees would be needed as costs to maintain our state park and recreation areas continue to rise. Without either change, DNR will not be able to maintain basic services across state parks and recreation areas, and we will be forced to reduce service levels from those people enjoy today.

Revenue projections and uses

The following section summarizes anticipated participation in the ORE and resulting revenues and describes how those revenues would be used to support outdoor recreation and conservation in Minnesota.

Participation rates and revenue potential

According to DPS, there are currently 5.4 million registered passenger vehicles and light-duty trucks in Minnesota. Today, only an estimated 6–8% of those vehicles access state parks and recreation areas through the current permit system. These permits, combined with permits purchased by non-Minnesotans, generate roughly \$8.5 million in revenue for state park and recreation area operations annually.

By lowering the cost of entry and embedding the purchase option directly into the annual vehicle registration process, the ORE is expected to achieve a participation rate that exceeds current park permits sales. Embedding the decision in an existing statewide transaction has helped other states to dramatically increase participation

rates, especially in the first several years, and support continued growth of participation over time. Even modest growth in the percentage of vehicle owners opting in would generate significant new revenue for Minnesota's outdoor recreation system while expanding access to state parks and recreation areas for many more Minnesotans.

The table below shows estimated participation levels and revenues over the first ten years of implementing an opt-in ORE approach. Estimates reflect an analysis of Minnesota data and results from similar opt-in models implemented in other states and consider both the ORE price and the just-in-time and non-resident pricing; for discussion purposes, this assumes flat pricing in years 5 through 10. Participation rate for the purposes of this analysis is the percentage of eligible vehicles that purchase the ORE each year.

Table 3: Estimated participation and revenues for first ten years

	Year 1	Year 3	Year 5	Year 10
ORE Price	\$15	\$17	\$19	\$19
Participation Rate	9%	14%	20%	29%
Revenue from ORE purchases	\$7.3 M	\$12.9 M	\$20.2 M	\$29.7 M
Just-in-Time ORE Price	\$27	\$29	\$31	\$31
Revenue from Just-in-Time ORE purchases	\$4.6 M	\$4.0 M	\$3.5 M	\$2.0 M
Total Revenue	\$11.9 M	\$16.9 M	\$23.7 M	\$31.7 M

Distribution of ORE revenue

Revenue from the ORE would help support DNR outdoor recreation and conservation operations as well as fund ORE administration. A full year of revenues will be collected before funds are distributed, reducing forecasting risk and creating a predictable funding pool for program planning. The following sub-sections outline the proposed uses of ORE revenues.

Administration and sale of the ORE

The DPS and MINNCOR would need to be provided funding for their administrative costs annually. These amounts should be based on reasonable, estimated costs, including but not limited to ongoing staff support. Additionally, deputy registrars should receive compensation for their role in implementing the ORE. The DNR is currently in discussions with deputy registrars to identify a level of compensation that appropriately reflects the risks assumed and responsibilities undertaken as part of delivering the outdoor recreation endorsement.

To keep public awareness high and participation growing, the DNR would also incur costs for promotion. These costs will be highest in the early years as the program is launched statewide and could be funded with ORE revenues after the first year. Investment in promotion of the ORE will also provide an opportunity to cross-promote DNR's specialty plate donation programs, such as the Reinvest in Minnesota license plates.

Operation and maintenance in state parks and recreation areas

Maintaining stability in funding for state parks and recreation areas is a critical aspect of making the ORE a successful funding model. This includes accounting for 1) unrealized park permit revenue as Minnesotans shift from park permits to the ORE, and 2) the current fiscal imbalance in the State Parks Account. The DNR estimates that accounting for these two factors would require \$9.3 million each year.

Ensuring that state parks and recreation areas receive no less funding than they do today is essential to avoid destabilizing operations that rely on fee revenue, such as staffing, facility upkeep, public safety, and basic visitor services. Without a guaranteed backfill, even small fluctuations in annual participation could erode the agency's ability to provide consistent service levels across the state park and recreation area system. A mechanism that preserves current funding would create the financial predictability needed for long-term planning, smooth the early years of program adoption, and prevent the ORE from unintentionally weakening a core part of the system it is designed to strengthen.

Investment in the outdoor recreation system

The DNR recommends that remaining annual revenues, after administrative costs of the ORE and state park and recreation area operations are funded, be dedicated to supporting recreation and conservation efforts across DNR-administered recreational lands. To develop these funding distribution recommendations, the department used a collaborative approach that balanced stability for ongoing priorities with the flexibility needed to address emerging needs.

To inform the analysis, the DNR conducted a comprehensive assessment of core service funding needs and risks. The assessment was grounded in the principles of the DNR's 4 The Outdoors Initiative, which emphasize maintaining stable and sufficient base funding for core services, ensuring operational capacity across the state outdoor recreation system and conservation efforts, and recognizing that no single revenue source can fully meet all future funding needs. By applying these principles, the department was able to evaluate system-wide needs and risks, identify priority gaps, and consider how new revenues could enhance the DNR's ability to support, maintain, and modernize outdoor recreation infrastructure, visitor services and the conservation efforts that keep Minnesota's outdoor places healthy and vibrant for generations to come.

The DNR's proposed approach is designed to increase base operational funding over time, while still allowing the department to respond quickly to new opportunities or challenges. This combination of stability and flexibility supports high-quality visitor experiences, preserves natural resources, and strengthens performance across all recreation units. The DNR's recommended allocation for funds that are available after covering ORE administrative costs and funding state park and recreation area operations is outlined below:

- 45% for recreation and conservation management on and for the benefit of state parks, recreation areas, state trails, state water access sites and state forest recreation areas.
- 25% for recreation and conservation management on and for the benefit of state wildlife management areas (WMAs) and aquatic management areas (AMAs).
- 11% for recreation and conservation management on and for the benefit of state forests.
- 9% for recreation and conservation management on and for the benefit of state scientific and natural areas (SNAs) and activities that benefit the outdoor recreation system lands.

- 6% for enforcement of natural resource and conservation laws on outdoor recreation system lands.
- 4% reserved for DNR use to address department-level recreation and conservation needs across the state's outdoor recreation system.

The table below provides examples of activities, categorized by recreational unit, that could be funded. This is not an exhaustive list. The focus of these new funds will be targeted to areas needing funding in addition to existing funding.

Table 4: Example activities funded by ORE monies by state recreational unit

Recreation Unit	Example Activities
State parks, recreation areas, state trails, state water access sites and state forest recreation areas	Field operations in parks, recreation areas and state forest recreation areas including interpretative services, recreation trails, facilities maintenance and upkeep.
State WMAs and AMAs	Operations and maintenance of WMA and AMAs including hunter walking trails, habitat restoration and enhancement, fish production, population management of key species.
State forests	Maintenance of safe state forest roads for public to access state-managed recreation lands. Promotion of resilient and diverse state forests by planting trees, improving forest composition and health, and managing terrestrial invasive species.
State SNAs	Operations and maintenance of SNAs and stewardship of prairies.
All outdoor recreation system lands	Enforcement of conservation and natural resource laws across public lands and waters. Support for conservation efforts across the outdoor recreation system through programs such as Nongame Wildlife Program and Minnesota Biological Survey. Expert consultation on interdisciplinary habitat protection and restoration projects. Expert consultation on real estate services such as land surveys that may be needed to maintain or conduct activities on existing outdoor recreation system lands.

Additional considerations

Introducing the ORE raises several important considerations. This section summarizes those issues and, where relevant, outlines the DNR's recommended approach. The DNR looks forward to discussing these considerations with the legislature if the ORE model is adopted.

Start-up and ongoing costs

As discussed above, the DNR proposes to distribute ORE revenues on a one-year delay. While this approach supports long-term fiscal stability, it would also create a need for initial start-up and first-year funding before ORE revenues become available. Start-up costs include an estimated 400 hours of programming to integrate the ORE into DPS information technology systems, as well as updates to printing and distribution systems for tab stickers with the ORE demarcation. Additionally, statewide public education and promotion would be needed to build awareness and drive early participation at program launch.

The DNR would experience reduced park permit revenue during the first year, before ORE revenue begins to flow. This unavoidable transition period would create a revenue gap of \$9.3 million. Providing one-time funding to cover this gap is essential to prevent a funding shock to the state parks system and to ensure that core operations and visitor services remain stable during the first year of the ORE program.

Other states that have adopted ORE-style models have experienced similar start-up challenges and received one-time appropriations to support early technology, promotion, and implementation costs. The DNR supports a comparable approach for Minnesota to ensure a smooth and successful launch.

All partners would incur ongoing costs in administering and supporting the ORE. The DNR is committed to compensating its partners for their reasonable ongoing administrative costs as part of the annual distribution process.

Fallback mechanism

Adopting the ORE model represents a significant shift from Minnesota's current park vehicle permit structure. While the ORE is designed to increase overall funding for state parks and recreation areas, as well as other units of the state Outdoor Recreation System, the DNR must be able to respond quickly if state park and recreation area funding is put at risk. A clear and timely fallback option ensures that park operations remain stable regardless of early participation trends.

Several states have mitigated this risk by including a conditional clause that allows a temporary return to the previous permit model if revenues fall below system needs. For example, Michigan's enacting language authorized the department to reinstate its prior permit model for one year, with the option to extend as necessary, when ORE revenues were insufficient to support park operations. While Michigan did not need to use this mechanism, its inclusion in the enacting authorization was critical in mitigating risk. The DNR recommends a similar approach in Minnesota to provide a safety net during the transition to the new model.

Reinstating the permit model would require the DNR to establish a new permit price structure to ensure adequate funding for parks and recreation areas. This recalibration would be necessary to avoid compounding revenue shortfalls during a fallback period.

While the DNR anticipates strong public response and robust participation in the ORE, some uncertainty is unavoidable. With a prudent risk mitigation strategy in place, the DNR believes that the benefits of the ORE model outweigh the risks and that the model offers a sustainable, long-term funding improvement.

Structure of State Parks Account

Funding levels from the State Parks Account are based on available revenues. This account houses park vehicle permit revenues along with two other major revenue sources: camping fees and reservation revenues. Park vehicle permit revenues comprise approximately 36% of these combined funds. Because the ORE model would significantly reduce vehicle permit revenue, it raises important questions about the most effective funding structure for the State Parks Account during and after the transition.

At present, the legislature appropriates the revenues in the state park account based on forecasted amounts. This approach has historically worked well because vehicle permit, camping, and reservation revenues are reasonable stable and predictable. However, the ORE would introduce new uncertainty. It is difficult to know how quickly Minnesotans would switch to the ORE, what participation levels would be in the first few years, and how that transition might affect total revenues. This uncertainty complicates the process of setting a fixed funding level in advance.

Providing the DNR with the statutory authority to adjust spending levels to match available revenues would provide important flexibility and reduce the risk of funding shortfalls. This type of structural adjustment would help ensure that the ORE strengthens—rather than destabilizes—the State Parks Account.

ORE price changes

The ORE's success depends on maintaining a careful balance between price, participation, and revenue adequacy—three factors that are tightly interrelated. The selected price would influence how many Minnesotans choose to participate, which in turn would determine whether the ORE generates sufficient revenue to enhance support for the outdoor recreation system and conservation as intended. Achieving the right balance would be especially critical if visitation to state parks or other units of the state outdoor recreation system increases because of the ORE; while such growth is desirable, the DNR must be prepared to provide high-quality visitor experiences and sufficient operational capacity across the system. Finding the equilibrium among price, participation, and funding needs will emerge over time and will require monitoring and flexibility.

One way to remain responsive to changing conditions is to provide the DNR commissioner with limited authority to adjust the price of the ORE within defined parameters. For example, the commissioner could be authorized to increase the price by no more than \$2, provided the price has not changed within the previous two years. This type of capped, periodic adjustment authority would allow the department to respond to inflation, operational pressures, or participation trends without requiring statutory changes each time. Other states already use similar approaches—for example, Michigan's Recreation Passport has increased from \$10 at its 2010 launch to \$15 in 2026 through inflation-based adjustments tied to the Detroit Consumer Price Index, as required by state law.

A mechanism allowing modest, predictable price adjustments would support the long-term financial sustainability of the ORE and improve its ability to maintain the balance needed for overall program success.

Summary of Additional Considerations

The following table provides a quick summary of the discussion above as well the DNR's preferred way to address these questions.

Table 5: Additional considerations and DNR recommendations

Consideration	DNR recommendation
Start-up and ongoing costs	Invest ORE revenues in outdoor recreation system faster by providing non-ORE funds for start-up costs.
Fallback mechanism	Mitigate risk to state park and recreation area operational funding by enacting automatic reversion back to park permit structure if ORE model is unsuccessful.
Structure of State Parks Account	Minimize funding uncertainty by allowing the DNR flexibility to adjust spending levels to match available State Parks Account revenues.
ORE price changes	Provide DNR commissioner limited authority to change price.

Conclusion

Minnesotans have a deep understanding of how important our public lands and waters are to our quality of life. They show their commitment to conservation and outdoor recreation in many ways, not the least of which was the most recent ballot measure to renew the Environment and Natural Resources Trust Fund that was approved by an impressive 75% of voters and by the majority of voters in every county in the state.

The DNR views the ORE as a simple, accessible and sustainable way to strengthen Minnesota's outdoor recreation and conservation efforts for Minnesotans and visitors to our state. Similar models in other states have increased participation, simplified access and maintained reliable revenue to care for parks and natural resources, while providing a more predictable, scalable funding model for long-term operations. By making it easier for Minnesotans to get outside, this approach would advance the department's goal to remove barriers and invest in the long-term health of the state's outdoor recreation system.

Minnesota is seen as a leader in the country when it comes to outdoor recreation and conservation, and we have a great opportunity to continue to show leadership in those areas. With Minnesota's strong outdoor heritage and the proven success of this model elsewhere, an ORE system holds great promise for a vibrant future our Minnesotans and our outdoors.