



STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL and CULTURAL RESOURCES
DIVISION of PARKS and RECREATION
172 Pembroke Road Concord, New Hampshire 03301
Phone: (603) 271-3556 Fax: (603) 271-3553
Web: www.nhstateparks.org

January 22, 2020

The Honorable Clyde Carson
and the Municipal & County Government Committee
Legislative Office Building, Room 301
Concord, NH 03301

RE: HB 1160 allowing municipalities to collect an occupancy fee from operators of local room rentals.

Dear Chair Carson and Members of the Committee,

Please accept this testimony on behalf of the Department of Natural and Cultural Resources, Division of Parks and Recreation ("Division") regarding HB 1160. **The Division does not take a position on this legislation, but we are concerned about the financial impact of this bill and request clarification on the bill's intent. The Division opposes the legislation if it extends beyond the current application of the Meals and Rooms Tax and includes campsites.**

The Division operates 23 campgrounds with 1,427 campsites including RV sites, family sites, and sites with lean-to shelters, with 35 sites having cabins and yurts. The bill refers to "occupancy," as defined in the meals and rooms statute RSA 78-A:3, VI, as the use of a "room in a hotel." "Hotel" is defined as an establishment offering sleeping accommodations for rent including, but not limited to, cabins, camps, cottages, and apartments, etc. Should this bill become law and a municipality votes to collect an occupancy fee, we understand that the Division would pay such fees on its cabins and yurts as is currently done under the Meals and Rooms Tax. However, we understand that we would not pay the fee on campsites, lean-to shelters and RV sites where we are not providing a room.

The fiscal impact to state parks and its visitors would be up to \$12,880, if all municipalities where the 35 cabins and yurts are located elected to collect the \$2/night fee and if all cabins and yurts were fully occupied during the operating season of May 1 to Oct 31 (a total of 184 nights).

The Division currently operates 1,400 campsites and RV sites, and 84 of those sites have a nightly fee of over \$40. **If this bill should apply to these campsites and RV sites, the fiscal impact to the Division would be up to an additional \$30,912 per season. The total fiscal impact to the Division for cabins, yurts, certain campsites and RV sites would be up to \$43,792 per operating season.**

The impact of this fee would be to increase the cost to our visitors, to reduce the resources available to operate the park system, and/or to reduce the investments supported with operating funds. These investments include the expansion of the Monadnock bathroom, new bathrooms at Jenness Beach and Umbagog, a new half million dollar radio system at Hampton Beach, the installation of playgrounds at Ellacoya beach and Lafayette campground, and hazard tree removal throughout the park system. Any increase in fees could also affect the state's overall competitiveness with other states in the region.

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Chair Clyde Carson, House Municipal & County Government Committee

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We respectfully request clarification as to whether this legislation will apply an occupancy fee on campsites and RV sites under any circumstances. If this is the case, the Division opposes the collection of this fee from campsites. Also, pursuant to RSA 216-A:3-g, state park fees need to be approved by the Fiscal Committee. We seek clarification on whether this bill enables the Division to increase its fees to collect the occupancy fee without Fiscal Committee approval.

Thank you for the opportunity to submit testimony on HB 1160. Please let me know if I can answer questions or provide any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip A. Bryce". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Philip A. Bryce, Director

Cc: Sarah L. Stewart, Commissioner

PAB/ttl-012120