

STATE OF NEW HAMPSHIRE DEPARTMENT of NATURAL and CULTURAL RESOURCES DIVISION of PARKS and RECREATION

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April 5th, 2024

The Honorable Andrew Renzullo and the Resources, Recreation and Development Committee Legislative Office Building, Room 305-307 Concord, NH 03301

RE: SB 345-FN relative to state park fees for state residents

Dear Chair Renzullo 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 SB 345-FN relative to state park fees for state residents. The Division opposes this bill and believes that it would have a substantial adverse impact on tourism, the visitor experience, and could result in a decrease in revenue for the state park fund.

The Division has been working on a calibration of fee schedules across the Parks system in consultation with the Fiscal Committee. This has been a multi-year project dating back to 2018 and involving our State Parks Advisory Council. The first set of fee packages was approved by the Fiscal Committee on Sept 14, 2023 (FIS 23-278) and set the rates for Cannon Lift Tickets. The second was approved on April 21, 2023 (FIS 23-139) for the parking meter rates at the seacoast. Most recently, the Committee approved the rates for camping and lodging on Dec 15, 2023 (FIS 23-363). The last significant piece of our fee package is day use fees which we had already begun to examine in anticipation of making a request to fiscal within the next year. This bill has the potential to financially disrupt the careful planning and budgeting done by both the Division and the Fiscal Committee to ensure that fees are balanced and provide the necessary funding to operate the Parks system. Further, it binds our ability currently in statute to adjust our fees according to market conditions by creating a mandatory doubling of cost to nonresidents.

By way of background, the State Park Fund was established in 1991, creating an operationally self-funded parks system. The House Appropriations Committee report that recommended passage wrote: "This bill establishes the New Hampshire state park and ski areas as an enterprise-type self-funded, accountable business entity to provide improved park and ski recreation facilities and services to New Hampshire citizens and tourists alike."

The fee approval process through the Joint Legislative Fiscal Committee pursuant to RSA 216-A:3-g, was established "...to provide the department with the ability to maximize revenues and to adjust fees according to market conditions and trends as is the common practice in private industry." RSA 216-A:3-g, II states: "Fees for the use of campgrounds and ski lifts shall be comparable with the fees for use of similar privately owned facilities. The operation of all enterprise functionsshall be as profitable as possible, within the purposes of the park system."

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The Division continually strives to balance its priorities by examining fee structures, visitation data, market conditions, and other metrics to inform recommendations to the Fiscal Committee for adjustments to park fees. We are very concerned that this bill would put into law a 50 percent discount on admission fees and a 10 percent discount on all other park fees for residents; and effectively negating RSA 216-A:3-g in support of the efficiencies of New Hampshire's self-funding model for the state park system.

An online reservation system was put into place in the fall of 2019 to specifically address state park capacity concerns and has been well received by visitors across the park system. Prior to 2019, parks were routinely full, with many visitors being turned away. The reservation system allows visitors the benefit of reserving ahead of time to guarantee their spot at a park while allowing the Division to define a specific capacity number for each park. As well, the established reservation system has streamlined the guest experience and flow of traffic. Confirmation emails are sent with each reservation that include a "know before you go" section with pertinent safety and rule information. The Division feels that we have made significant strides forward using the reservation system regarding visitor satisfaction, public safety, and managing park resources.

New Hampshire's hospitality and tourism-based private businesses do not differentiate fee structures based on residency as a common practice. The State, through the Department of Business and Economic Affairs, spends millions of dollars in ad campaigns to attract out-of-state visitors. Approximately half of the day-use visitors to New Hampshire State Parks come from out-of-state and a residency-based price structure of this nature would likely discourage tourism and related economic activity.

Thank you for the opportunity to provide testimony and additional information on SB 345. Let me know if I can provide any additional information.

Sincerely,

Brian J. Wilson

Director

C: Sarah L. Stewart, Commissioner, Department of Natural and Cultural Resources

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