



STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
DIVISION of PARKS and RECREATION

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The Honorable Norman Major, Chair
and the House Ways and Means Committee
NH Legislative Office Building, Room 7
Concord, NH 03301

Re: SB 441-FN, relative to discounts and admission without charge at state parks.

Dear Chairman Major and Members of the Committee,

Thank you for the opportunity to provide testimony in support of Senate Bill 441 that would: eliminate the outdated discount coupon books, continue to provide free access to day use parks for NH seniors during the week, set the senior rate for skiing at Cannon during the week at 1/3 the standard adult rate and 2/3 the adult rate on weekends and holidays, and allow the Division to provide additional free and discounted access for seniors in a Fee Package presented to the Joint Fiscal Committee in accordance with RSA 216-A:3-g. The purpose of this bill is to bring park statutes up to date under a self-funding model, provide more consistency in the setting of fees through its Fee Package, and address demographic trends that will affect the viability of the state parks system park in the future.

The State Park Fund was established in 1991. 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 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." In addition: *"II. 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 functions....shall be as profitable as possible, within the purposes of the park system."*

Free admission for NH seniors was enacted in 1973 (Chapter 503, Enacted 218:5-b) and the discount books were enacted in 1967 (Chapter 352, Enacted 218:5-a), both prior to 1991 when self-funding for the NH State Park System was emphasized through the establishment of the State Park Fund under RSA 216-A:3-i.

One of the five major challenges set forth in Parks Ten-Year Strategic Development and Capital Improvement Plan is to: *"Clarify statutory intent and framework within which the Division operates to reduce cumbersome, conflicting, and contradictory legislative direction so that operations can achieve the vision."*

In addition to the changes in the parks funding model in 1991, there has also been a change in demographic factors since 1973 when free access was provided to NH residents 65 and older. First, according to the US National Vital Statistics 2012 Reports the average life expectancy for a 65 year old senior has increased by 12.2 years between 1973 and 2008.

Secondly, a report by NH Center for Public Policy Studies estimates that: "*By the year 2030, nearly half a million New Hampshire residents will be 65 years or older, representing almost one third of the population.*" This is in contrast to 10-15% of the population that was 65 years or older in 1970's and 1980's. (We would note that these are factors that the park system is also considering as we improve our parks to accommodate the physical needs of all of our guests.)

While continuing to provide free weekday access to day use parks and discounted skiing to NH seniors over 65 (a maximum of \$25 during the week and \$50 on weekends), the legislation also allows the Division to offer additional discounted access to NH residents over 65 years of age in accordance with market trends and statutory mission through the Fee Package and Fiscal Committee approval. In fact, Parks currently provides other discounts to seniors for camping and skiing in its Fee Packages and would continue to do so.

For next ski season we anticipate proposing in our fee package to the Fiscal Committee a 2016/2017 weekday season's pass for NH seniors at \$39, what we have been charging as a processing fee. In addition, it was proposed at a meeting we held in Franconia last week that we consider offering free skiing for seniors over 80 years of age. This is something we could accomplish in the fee package as well.

Please also keep in mind that out of 93 state parks, we charge fees at less than half of these, and of those, approximately 25 generate more revenue than costs. The median revenue of a state park where we collect fees is less than \$150,000. The importance of revenue generating parks supporting the rest of the parks system is recognized under RSA 216-A:3-g Fees where it states: "*The general court does not intend that all park facilities be self-supporting.*"

The parks system has struggled over the years. In 2005 the parks fund had a 2.7 million dollar deficit. The Ten Year Strategic Develop and Capital Improvement Plan for our park system released in 2010 identified \$100 million needed to address deferred maintenance and replace and redevelop needed facilities. Thankfully, due to the support of the legislature, the dedication of the staff and our many partners, and good weather, the deficit has been eliminated and we have made solid progress in starting to address our deferred maintenance. However there is still much to do to catch up without even considering new opportunities.

We all know that ability to pay is a concern for all ages. We know there is a long standing tradition of granting seniors discounts in both the private and public sectors. We recognize, as businesses do, the value of our seniors as customers, and we know no one wants to give up something they are getting for free.

However, given that our state park operations are funded entirely by fees, if everyone contributes something that helps make access to our parks more affordable and available to everyone and a better experience for all. This bill strikes a solid balance between acknowledging that tradition while recognizing how we operate our parks system today and into the future and the significant changes in demographics since the original legislation was passed in 1973.

Lastly, RSA 218:5-b (eff. 1977) requires the Division to provide coupons that reflect a 20% discount off its usual rates applicable at all day-use fee areas and the coupons do not expire. The greatest burden on the Division is administration of this program and this broad-based discount program is inconsistent with current law that sets pricing in response to market conditions. These discounts apply to our busiest days of the year. We are requesting that this law be repealed.

Attached, for you information is:

- NH State Parks Value of Complimentary Value for 2015;
- Recently updated Estimated Fiscal Impacts of SB441;
- Market Rate Comparisons for Ski Areas and NH Attractions;
- Excerpt from NH Center for Public Policy Studies, New Hampshire Silver Tsunami
- An excerpt from a December 2013 article in Parks and Recreation magazine regarding Parks and Seniors; and,
- Editorials from the Union Leader and Concord Monitor from 2013.
- The fee package for Cannon Mountain Aerial Tramway and Ski Area dated May 15, 2015: and
- The fee packages for the Division of Parks and Recreation dated April 13, 2012 (amended) and December 27, 2011.

I am available to answer any questions you may have on this bill and will provide any additional information you might need. Thank you for the opportunity to testify in support of SB 441.

Sincerely,



Philip A. Bryce
Director

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C: Jeffrey J. Rose, Commissioner