

HOUSE BILL REPORT

HB 1530

As Reported by House Committee On:
Community Development, Housing & Tribal Affairs

Title: An act relating to promoting a balanced financing system for state parks programs and services in order to facilitate resource stewardship, interpretative activities, cultural events, and works of art in state parks.

Brief Description: Promoting a balanced financing system for state parks programs and services in order to facilitate resource stewardship, interpretative activities, cultural events, and works of art in state parks.

Sponsors: Representatives McCoy, Angel, Ryu, Sawyer, Santos, Ormsby, Van De Wege, Bergquist and Sells; by request of Parks and Recreation Commission.

Brief History:

Committee Activity:

Community Development, Housing & Tribal Affairs: 2/14/13, 2/20/13 [DPS].

Brief Summary of Substitute Bill

- Requires the Washington State Parks and Recreation Commission (State Parks) to seek reimbursement for costs of the park passes program, based on a forecast report provided by the Office of Financial Management.
- Authorizes the State Parks to conduct natural, cultural, or historical resource interpretive activities and to enter into agreements with private sector organizations and governmental agencies to assist with these interpretation activities.
- Authorizes the State Parks Foundation to support the operation of the state parks system and coordinate with the State Parks in fundraising activities.

HOUSE COMMITTEE ON COMMUNITY DEVELOPMENT, HOUSING & TRIBAL AFFAIRS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives McCoy, Chair; Appleton, Vice Chair; Angel, Ranking

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Minority Member; Johnson, Assistant Ranking Minority Member; Haler, Pike, Ryu, Santos and Sawyer.

Staff: Sean Flynn (786-7124).

Background:

The Washington State Parks and Recreation Commission (State Parks) owns and manages a diverse system of parks with many different types of facilities and historic buildings and a variety of recreation programs. The State Parks operate 116 open and developed parks and manages other undeveloped lands.

Park Passes.

The State Parks set rates and charge camping fees in park campgrounds. Under the park passes program, the State Parks issues different park passes for specially designated groups that qualify for discounts or exemptions from park fees. These passes include: senior citizen passes; disability passes; lifetime veteran disability passes; and foster home passes for those who provide care.

Environmental Interpretation Activities.

Within the scope of its management authority, the State Parks is authorized to provide environmental interpretation activities for visitors that:

- explain the functions, history, and cultural aspects of ecosystems;
- explain the relationship between human needs, human behaviors and attitudes, and the environment; and
- offer experiences and information to increase citizen appreciation and stewardship of the environment and its multiple uses.

The State Parks may solicit and enter into agreements with private sector organizations and governmental agencies to assist with these interpretation activities. Commercial advertising is prohibited under such an agreement, although logos and credit lines are permitted for sponsoring organizations.

State Parks Gift Foundation.

In 2000 the Legislature ordered the State Parks to create the State Parks Gift Foundation (Foundation), an independent nonprofit corporation whose purpose is to solicit support for the state parks system and encourage gifts to improve the state parks. The composition of the board of directors is statutorily defined.

The Foundation conducts a competitive grant process to award funding to the state park system. Only the State Parks is eligible to apply for the Foundation grants. The State Parks may not use the money awarded to the Foundation to supplant preexisting funding sources.

Summary of Substitute Bill:

Park Pass Program - Reimbursement.

The State Parks must seek reimbursement each biennium for the fiscal opportunity cost incurred by the commission in complying with park passes discounts and exemptions from camping fees. The Office of Financial Management (OFM) must provide an annual report to the Legislature on the forecast of the fiscal opportunity cost for the upcoming biennium. The amount requested by the State Parks may not exceed the OFM's forecast for purposes of seeking reimbursement.

Interpretive Activities (Natural, Cultural, or Historical Resources).

The State Parks may provide natural, cultural, or historical resource interpretive activities for visitors to state parks that:

- explain the functions, history, significance, and cultural aspects of ecosystems;
- explain the relationship between human needs, human behaviors and attitudes, and the environment;
- explain the diverse human heritage and cultural changes over time in the state;
- offer experiences and information to increase citizen appreciation and stewardship of their natural and cultural heritage;
- protect natural, cultural, or historical resources from the impacts of human activities; or
- increase awareness, appreciation, and enjoyment of the state's ethnic and cultural heritage and contemporary works of art.

The State Parks may enter into agreements with the Foundation, private sector individuals, organizations, businesses, employee business units, other public agencies, and tribes for natural, cultural, scenic and recreational stewardship, and interpretive purposes. State Parks may not enter into any agreement with any such entity regarding the transfer of park management responsibilities unless the entity has demonstrated it has an adequate source of funding, broad support from the local community, and sufficient experience successfully managing similar projects. The State Parks may not fund or reimburse the entity's management operation costs. Any management transfer agreement must include a trial period, containing specific performance measures that must be met before the agreement can be extended beyond one year.

State Parks Foundation.

The State Parks Gift Foundation is named the "State Parks Foundation" (Foundation). The purpose of the Foundation is to build constituencies, engage in public outreach, and encourage gifts and private sponsorship activities to support the operation, acquisition, and improvement of the state parks system. The composition of the Foundation's board of directors is governed by the Nonprofit Corporation Act.

The Foundation must coordinate with the State Parks in fundraising activities. The Foundation may award grants to the State Parks, friends groups, or other associations established to benefit the state parks system. The Foundation and the State Parks director

must jointly develop criteria for awarding grants. Awards may be granted for projects that contribute to the operation of the state parks system.

Substitute Bill Compared to Original Bill:

The State Parks may enter into a management transfer agreement with an entity only if the entity has demonstrated it has an adequate source of funding, broad support from the local community and sufficient similar experience to undertake management responsibilities. The State Parks may not fund or reimburse the entities operating costs. The agreement must include a trial period, containing specific performance measures that must be met before the agreement can be extended beyond one year.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) A Legislature proviso asked the State Parks to report to the OFM on progress with the Discover Pass and other means to making the State Parks self-sufficient and to make statutory recommendations for making self-sufficiency possible. The State Parks unanimously recommended against zero state funding support and 100 percent self-sufficiency is not possible in the short-term and not desirable in the long term as it would distort the State Parks mission. The State Parks commissioners and the Legislature must provide an appropriate authorizing environment for innovation and creativity. The State Parks' request legislation expands authority and removes statutory barriers to help the State Parks increase revenue, reduce costs, promote partnerships, and encourage philanthropic support. This bill ensures the State Parks is responsive to its mission to preserve and celebrate Washington heritage while maintaining broad public access to the state parks system. The bill provides a mechanism for maintaining fee reductions for designate groups that the Legislature has determined should have access to the state parks system. These programs remain unchanged and the OFM will calculate the amount that would have been received by the State Parks. The Legislature could decide to reimburse all, some, or none of this amount, but at least would know the cost of those programs. With greater reliance on user fees, the State Parks must increase interest and public use of parks. The State Parks already provides interpretive services, but enhancing those services will attract more people to use state parks and purchase more Discover Passes. This bill widens the subject matter of these services to increase public appeal, including ethnic heritage festivals and concerts as well as showcasing visual and performance art. This bill removes restrictions on recognizing park sponsors and donors to increase private contributions and eliminates blanket prohibitions on advertising. It allows low-key advertising at concession facilities or rental units in places where advertising is expected, while allowing the State Parks to balance the authority of the commissioners with public input. The bill combines the State Parks and the

Foundation as two arms of the same entity and encourages collaboration with the Foundation to support of the State Parks operation. In some functions it is appropriate for the Foundation to act independently, such as acting as a nonprofit organization. The Foundation has been in operation for 13 years and has generated substantial amounts of money for the State Parks, including donation for park maintenance and repairs. The Foundation could never substantially supplant the amount of money necessary to operate the State Parks, but can enlist the private sector in many ways. The outdoor recreation association just published a report that shows the economic value of outdoor recreational activities (225,000 state jobs tied to recreation, almost double from the number of jobs from 2006), which can be translated into economic development generated by the State Parks. The State Parks works closely with the federal government for grants and receives multi-million dollars in park development and acquisition and is expanding work with tribal governments in co-management agreements. A key function of the State Parks is rural economic development. Most state parks agencies are not 100 percent user supported. The types of amenities at each state park correspond with the environment around the park: urban parks have more commercial activity and more rural parks have fewer amenities where they protect cultural resources. A balanced approach to the State Park funding should also include a match from the General Fund for Discover Pass sales. The Washington Arts Commission has a strong partnership relationship with the State Parks, including traditional and folk arts in the parks program, which receives federal funding from the National Endowment of the Arts. There has not been enough money to maintain the state's historic buildings. Historic properties managed by the State Parks are placed on the historic preservation most-endangered properties list to raise awareness of the challenges for historic preservation. Federal assistance for historic preservation projects has shifted from a grant-based system to federal tax credits for individual and groups that conduct historic preservation projects. Private organizations partnering with the State Parks can apply for federal tax credits, which can be used to fund historic building rehabilitation. The Department of Natural Resources (DNR) is dependent on Discover Pass revenue to maintain 120 campgrounds, trails, and forest roads for public recreation and requests that the DNR and the Department of Fish and Wildlife be added to the OFM report to show impact on all three departments.

(Neutral) This bill includes authority for the State Parks to enter into agreements for management transfer without oversight or checks and balances in place. Some groups may not always be prepared to accept management responsibilities. The bill should include provisions to require that an entity has demonstrable source of funding, not subsidized by the State Parks, although capital development contributions is understandable, and the entity should have broad community support. The entity should have a demonstrated ability to manage comparable projects and should start with a trial period before extending the agreement. There are concerns about management agreements and funding sources from entities currently managing parks property.

(Opposed) None.

Persons Testifying: (In support) Representative McCoy, prime sponsor; Roger Schmitt, Daniel Farber, and Peter Herzog, Washington State Parks and Recreation Commission; Bill Clarke, Trust for Public Land; Peter Reid, Washington State Parks Foundation; Betty Tabbutt, League of Women Voters; Doug Levy, Washington Recreation and Parks Association; Majken Ryhad, Washington Wildlife and Recreation Coalition; Kris Tucker, Washington

State Arts Commission; Allyson Brooks, Department of Archeology and Historic Preservation; Michael Sullivan and Chris Moore, Washington Trust for Historic Preservation; and Alia Griffing and Jeanine Livingston, Washington Federation of State Employees.

(Neutral) Mark Mauren, Department of Natural Resources.

Persons Signed In To Testify But Not Testifying: None.