

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 12, 2023

TO: Honorable Kelly Hancock, Chair, Senate Committee on Veteran Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1740 by Leach (Relating to the issuance of state parklands passports to and a waiver of certain state park fees for certain veterans, active duty armed forces members, and certain family members of a person who died while serving in the United States armed forces.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1740, As Engrossed : an impact of \$0 through the biennium ending August 31, 2025.

The bill would expand the population qualifying for the Texas Parklands Passport, thereby increasing the amount of state park entrance fees waived for certain Texas residents. This would result in an estimated two-year negative impact of \$4,744,540 to General Revenue-Dedicated Funds through the biennium ending August 31, 2025.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue (Loss) from State Parks Acct 64
2024	(\$2,372,270)
2025	(\$2,372,270)
2026	(\$2,372,270)
2027	(\$2,372,270)
2028	(\$2,372,270)

Fiscal Analysis

The bill would amend the Parks and Wildlife Code to allow veterans not eligible under current statute, active duty United States armed services members, and certain surviving family members of those who died while serving in the United States armed forces to apply for a Texas Parklands Passport. Holders of this Passport receive free entrance at any state park. The bill would take effect September 1, 2023.

Methodology

According to the Texas Parks and Wildlife Department (TPWD), the average state park entrance fee is \$5 for those younger than 65 years of age ("non-senior") and \$2.50 for those 65 years of age and older ("senior"). The cost for a Texas State Parks Pass, which grants unlimited free entry to state parks and other benefits for one year, is \$70. State park entrance fee and Parks Pass revenue is deposited to the credit of General Revenue-Dedicated State Parks Account No. 64 (GR-D 64).

Based on data provided by TPWD, 9,666,854 visits to state parks took place in fiscal year 2022 and 175,140 State Park Passes were purchased. This amounts to approximately 0.32 visits per person for the Texas population and 0.7 percent of the population purchasing a State Parks Pass based on the most recent U.S. Census data. Based on data from the U.S. Department of Veterans Affairs and the Department of Defense, 1,408,467 veterans and 118,691 non-senior active armed forces members are estimated to have resided in Texas in fiscal year 2022.

TPWD assumes that the population of veterans, active military members, and outlined surviving family members had a similar state park visitation rate and State Parks Pass ownership to the general public in fiscal year 2022.

Under current statute, to qualify for a Parklands Passport ("Passport") a veteran must have a disability rating of 60.0 percent or greater. Utilizing VA demographic data, TPWD estimates that 238,505 non-senior veterans and 166,146 senior veterans who previously were paying entrance fees would qualify for the Passport through this bill. Assuming all of the newly qualifying veteran population were to seek this Passport, TPWD anticipates revenue loss to GR-D 64 of \$1,607,890 each fiscal year. The agency assumes that of the estimated number of veterans who purchase State Park Passes, or 9,859 individuals, half would opt for the Passport which would result in an anticipated revenue loss to GR-D 64 of \$345,065 each fiscal year.

Based on the information outlined above, TPWD estimates that 38,208 active military members visit state parks each year and 831 purchase Texas State Parks Passes. Assuming all non-Parks Pass holders and half of Parks Pass holders seek a Passport, the anticipated revenue loss to GR-D 64 would be \$220,090 per fiscal year.

Additionally, TPWD estimates that 34,581 Gold Star individuals visit state parks each year and 752 Gold Star individuals purchase State Park Passes. If all non-Parks Pass holders and half of Parks Pass holders seek a Passport, the anticipated revenue loss to GR-D 64 would be \$199,225 each fiscal year.

The revenue loss analysis provided by the Comptroller of Public Accounts is in line with TPWD's estimate. Amounts reflected in the table above are built on the analysis discussed above and do not include consideration of significant demographic or park visitation changes to project revenue loss for future years. The only demographic data collected by the agency for entrance fees are zip codes. It is assumed by the Comptroller of Public Accounts and TPWD that duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 802 Parks and Wildlife Department

LBB Staff: JMc, AF, EJ, SZ, MW, CMA, CSmi