

EXHIBIT 6
DATE 2/10/11
HB 370

House Bill 370
February 10, 2011
Presented by Chas Van Genderen
House Fish, Wildlife & Parks Committee

Mr. Chairman and committee members, I am Chas Van Genderen, Parks Division Administrator for Montana Department of Fish, Wildlife & Parks (FWP). I am here in support of House Bill 370.

This bill touches on a number of issues the legislature is dealing with right now. This is an important bill. Every bill State Parks is working on this session is about improving the value, the system, and the service to customers.

HB370 is about deciding how much we will pay for the things we value. State Parks represent good government that works for people using an **optional** fee that other states are trying to mimic. This system works and people value it. I know that because in 2009, at the peak of the recession, visitation to Montana State Parks was at an all time high. According to the Bureau of Business and Economic Research survey, visitation by Montana residents has grown 78% since 2002. In reality, when times are tough, we spend time with our families in places that are important to us – in State Parks.

So this bill is aligned with legislative priorities – families, jobs, economy. Consider the survey that shows customer satisfaction in parks is at about 94%. That same survey shows that non-resident spending associated with state parks was over \$122 million and produced 1,600 Montana jobs – not employees but jobs.

This bill is about seeking solutions to parks funding when few others are available. This is an issue the Legislative Finance Committee has heard about for the last two years and was reported on in June of 2009. State Parks gets no general fund revenues and zero hunting and fishing license account monies the rest of the agency is funded with. So the vehicle registration is how Montana has chosen to fund State Parks – and it is working with about 77% participation and an honor system that allows free day use.

We are working to make your state park system on par with other surrounding states. Consider that Montana has the best outdoor resources in the lower 48 but one of the least mature state park systems in the entire nation. We are actively working to improve services and systems and this bill would help address that for the benefit of our citizens, our heritage, and our tourism economy.

It may be difficult to look at FWP and see that state parks are different and they need additional support. But they are. And they do. Two separate studies have shown this. And we are still working to make the appropriate changes in the system.

HB370 is an optional, inexpensive approach to funding a state agency. For less than the price of a single movie ticket, a family can go to state parks for an entire day throughout the year. That is a bargain price for a priceless park system.

In 1936 as America was climbing out of the great depression, Montanan's found it important to make an investment and create the first state park in Lewis and Clark Caverns. Today, as we climb out of the great recession, we can do the same and pass HB370.

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The Bureau of Business and Economic Research

2010 Economic Impact Survey of Visitors to Montana State Parks

December 2010

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BUREAU OF
BUSINESS
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Executive Summary

Montana is a state of stunning physical beauty and outstanding recreational opportunities. Those opportunities bring visitors to the state from far and wide, enjoying our trails, rivers, and mountains and supporting a diverse and vibrant spectrum of economic activity in the process. In order to better understand and assess the experience and economic impact of resident and non-resident visitors, the Montana State Parks contracted with the Bureau of Business and Economic Research at The University of Montana (BBER) to conduct a comprehensive, survey-based assessment of state park visitors during the summer of 2010. This report details the findings of this project.

Based on information gathered from 1,100 completed interviews with visitors to 27 Montana State Parks, and utilizing a state-of-the-art analytical model of the economy of the State of Montana, this report finds that:

- Nonresident visitors to state parks spent 122.3 million dollars and produced 1,600 jobs in Montana in 2010,
- Park visitors were more satisfied with park staff service and facilities in 2010 than in 2002,
- Between 67.7% and 77.7% of resident visitors supported raising the current optional vehicle registration fee from \$4.00 per year to \$5.00 - \$7.00 per year.

The fundamental conclusion of this study is that Montana State Parks represent an invaluable resource for the economy of Montana's regions, as well as the state as a whole. Satisfaction with the park experience, usage of parks, and spending as well as ultimate economic impact, continues to grow. Clearly the parks will continue to play an important role in the economic health of the state.

This executive summary presents a brief description of the study and then lists a few of the more important findings. Readers can use this executive summary to obtain a quick snapshot of this study's results. Detailed results and analysis are fully presented in the main body of the final report.

Survey Methods

Montana State Parks needed current data on the economic impact visits to its parks have on Montana. Montana State Parks also needed to learn about visitor satisfaction and the demographic characteristics of visitors to Montana State Parks, as well as gauge visitor preferences for state park funding options. Bureau of Business and Economic Research (BBER) at The University of Montana-Missoula developed and administered a telephone survey to provide Montana State Parks with this information. Continuity in design with a previous version of this study conducted in 2002 was required to maintain result comparability so that trends could be analyzed.

The survey was administered from June 1, 2010 through October 7, 2010. The population sampled was all visitors to 27 Montana State Parks. Respondents were sampled by Montana State Parks staff using an in-person intercept process to collect contact information during three data collections periods: an early season period (June 1 – 6), a mid-season period (June 30 – July 12), and a late season period (August 20 – September 3). BBER used the contact information to conduct telephone interviews with sampled park visitors. Park visitors completed 1,100 interviews: 573 with residents and 527 with nonresidents. The response rate for the survey was 54.8%. The overall sampling error rate for this survey was +/- 3.0%. This means that if the survey were conducted 100 times, the proportions of responses found in 95 of the survey replications would be within 3% of those found by this survey. The sampling error rate was +/- 4.1% for residents and +/- 4.3% for nonresidents.

Approximately 60 percent of nonresident spending occurred outside a 50-mile radius from the parks. Hence the ability of Montana State Parks to provide economic opportunities throughout the entire state is evident, since nearly 60 percent of the total impact for employment, labor income and sales likewise occurred at least 50 miles outside the parks.

Not all Montana State Parks Regions shared equally in the economic opportunities (see Table E.1). Differences in the number of state parks located within each region, expenditures, group size, and average length of stay contribute to differential impacts by Montana State Parks region. Impacts also differ between regions because there are different activities and facilities available at different parks.

Table E.1

Economic Impact of Montana State Park Visitation by Region				
Montana State Parks Region	Nonresident Spending	Employment	Labor Income	Sales
1	\$37,934	454	\$11,997	\$36,361
2	\$22,480	288	\$7,471	\$22,591
3	\$21,993	293	\$7,549	\$23,289
4/6	\$10,984	177	\$4,488	\$13,937
5	\$18,202	240	\$6,326	\$19,492
7	\$10,733	140	\$3,672	\$11,007
All Montana State Parks Regions	\$122,326	1,592	\$41,503	\$126,677

Source: IMPLAN. All dollars in thousands.

Table E.1 above distributes the total economy-wide impacts for jobs, labor income, and industry sales resulting from state park nonresident visitor spending. Montana State Parks Region 1, with almost a quarter of the state's parks, captures \$37.9 million, or 31 percent of total nonresident spending. It follows then that Region 1 would benefit the most in terms of jobs, income, and sales. Nearly all Region 1 parks offer camping, which encourages longer visitor stays, and Region 1 has a higher proportion of nonresident visitors than other regions.

Possible State Park Funding Preferences

Resident park visitors expressed a broad range of clear preferences for future measures that could be used to fund operations and maintenance of state parks. The largest majority of resident park visitors supported these four items:

1. Increase use of volunteers (90.7% support),
2. Designating a portion of existing state taxes to parks (80.2% support),
3. Increasing park revenues by expanded sale of items such as firewood, ice, T- shirts and artwork (80.2% support), and
4. Enforcing user fee compliance more strictly (71.8% support).

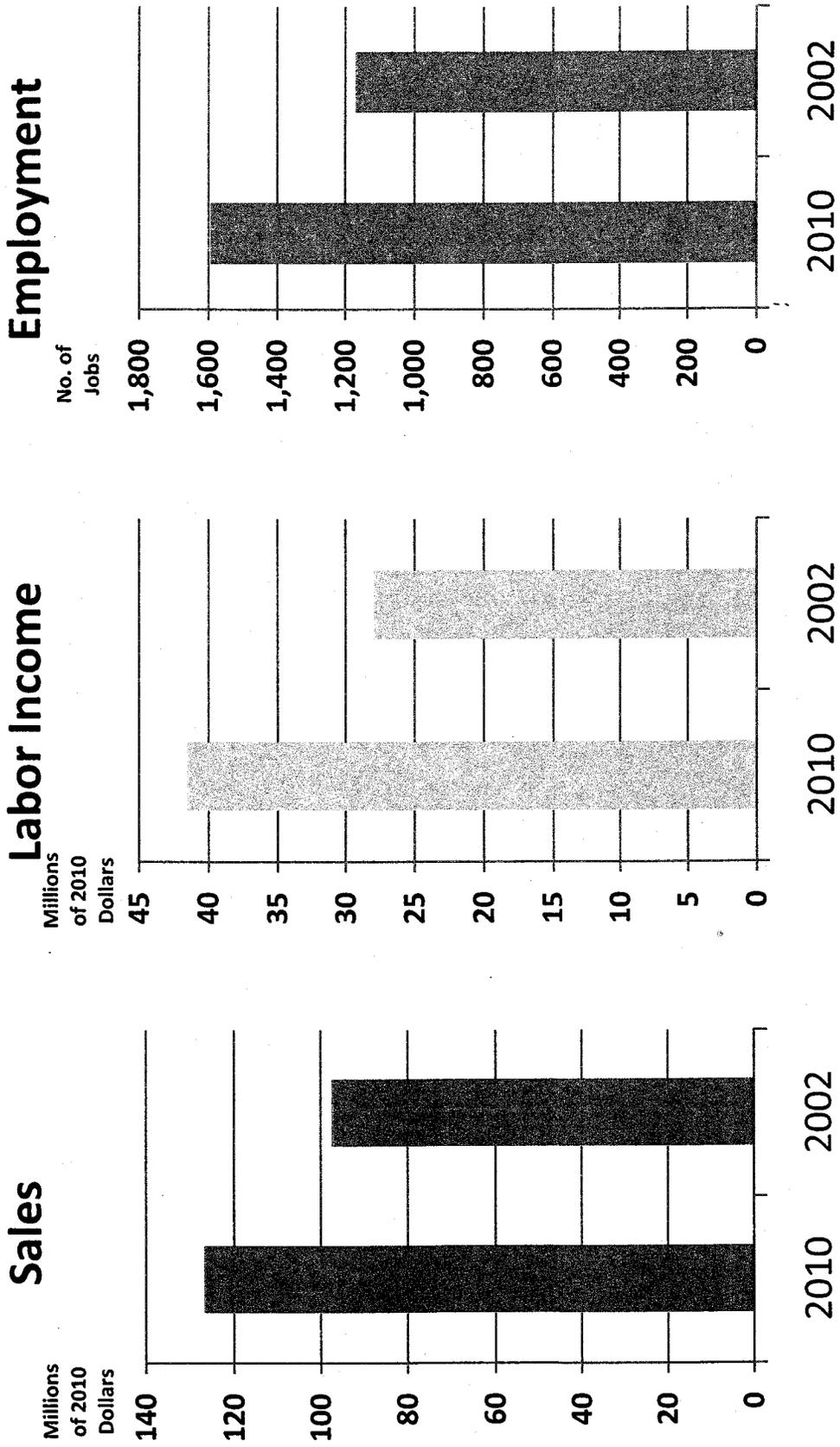
Visitor Satisfaction

Park visitors were more satisfied with park staff service and facilities than in 2002 (see Figure E.3). Visitors rated their satisfaction on a one to five scale where one is not at all satisfied and five is very satisfied. Figure E.3 displays a selection of the eighteen features rated by park visitors, all of which were rated higher in 2010 than in 2002. None of the eighteen were rated lower.

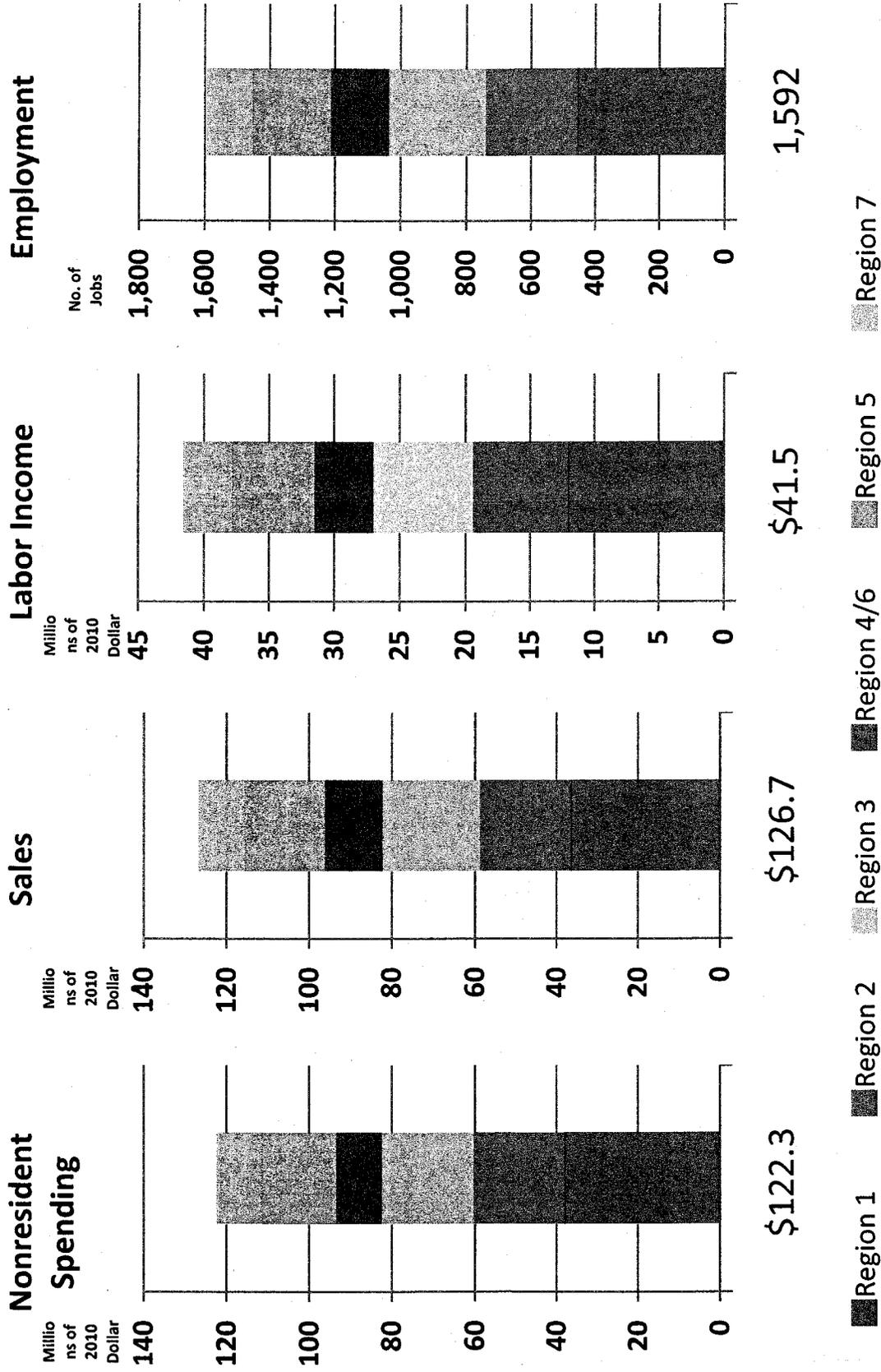
Figure E.3



Nonresident Economic Impacts: 2010 and 2002

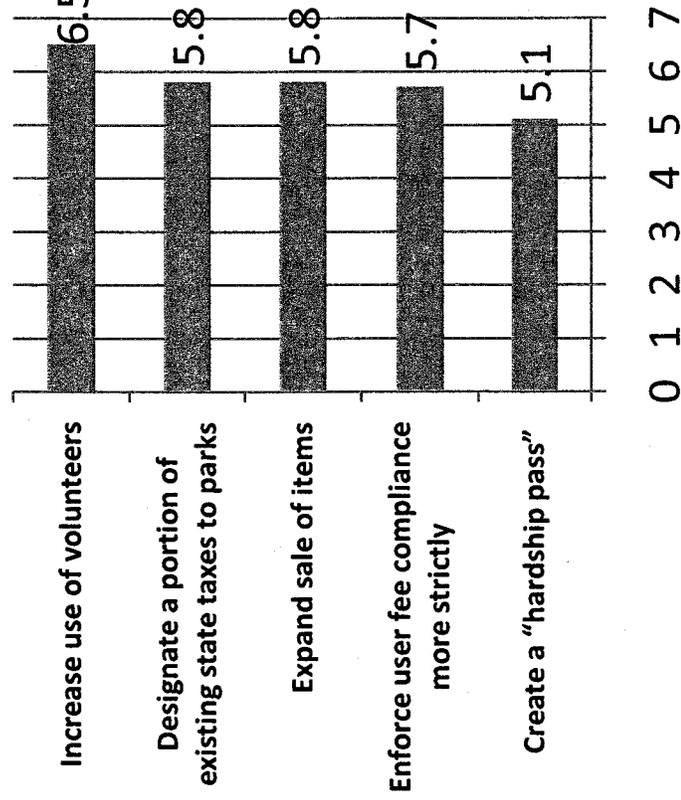


2010 Nonresident Economic Impacts by FWP Region

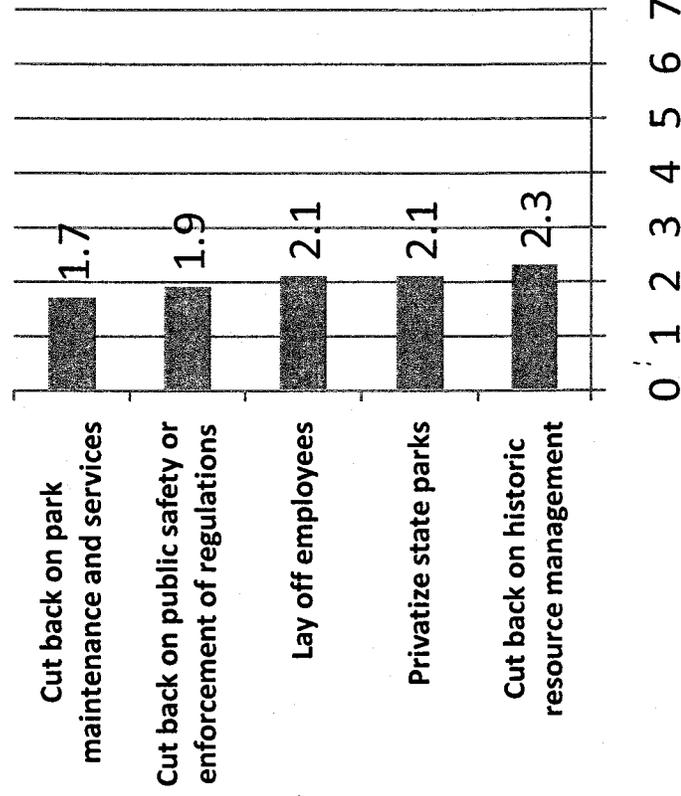


Funding Options (Residents Only)

Supported Options



Opposed Options



Mean score based on a scale of 1 to 7 where 1 is strongly oppose and 7 is strongly support