

Testimony for Jack Harrison
March 27, 2012

Good morning, my name is Jack Harrison and I am Executive Director of the California Parks Hospitality Association. I have been in this position since 1993, prior to that time I served as Chief Deputy Director for the California Department of Parks and Recreation. Joining me today is Eric Mart who is a member of our Board of Directors and the President of California Land Management a company that provides contract visitor services in public recreation areas.

The CPHA was organized in the late 80's and exists to help California State Parks accomplish its mission with the help of private companies who contract with the State to provide needed services. Our member companies are often referred to as "concessionaires" because we operate under concession contracts with the State. There are currently about 200 concession contracts with California State Parks. These contractors pay the State almost twelve million dollars annually in rent fees.

Concessionaires have been providing visitor services within California State Parks since the first park opened in 1913. The services provided by concessionaires are intended to enhance the visitor's enjoyment of the parks. Concessionaires provide a variety of hospitality services such as lodging, equipment rentals, food service, gifts and souvenirs. In many cases, concessionaires also handle reservations, collect fees, perform maintenance tasks, provide visitor information, and make improvements to park facilities. In short, concession operators have been an integral part of operating State Parks in California for decades.

For many years, State funding has not kept pace with the cost of maintaining a growing and aging park system. During this entire time, concessionaires have offered to provide services at cost substantially lower than what is required by using State employees. Based on our experience working in the parks, we have repeatedly made suggestions to the State on ways to increase revenue and reduce operational expenses. We find it encouraging that these same recommendations are included in a recent report by the Legislative Analyst Office.

We agree with the Legislative Analyst that many units of the State Park System primarily serve residents in the local area of the park unit; therefore, they should be operated by a local agency such as a city, county or district. State taxpayers should only be expected to financially support those parks which serve people from a wide region of the State and beyond. For example, beaches that are primarily used for day use by nearby residents should be operated by a local agency or group. Large parks with a variety of facilities, and parks with significant historical or natural resources are examples of parks that are more appropriate for a State funded operation.

We also believe that most of the functions performed by rangers do not involve law enforcement tasks. Using rangers who are peace officers to perform all visitor services is not cost effective. We believe the State should establish a non peace officer ranger position in addition to maintaining the current ranger peace officer position. This would allow State Parks more flexibility in assigning ranger personnel while reducing expenditures due to higher retirement benefits, expensive equipment and training.

Finally, we agree with the Legislative Analyst Office that more use of contract services under the supervision of State Parks would save money and may lead to more revenue generation.

While most people understand how and why using contractors can save money, skeptic will falsely claim that doing such may lead to a “take over” of public lands with the result being a McDonalds among the redwoods. Those opposed to change may also speculate that a contractor will let the park “run down” in order to make a greater profit. The final false claim is that a contract operation will result in higher entrance and camping fees. None of these things have happened in the more than 500 public parks that have or are using contractors to provide public services. The reason being that every concessionaire must meet the contract requirements set forth by the public agency. New construction, required fees, hours of operation, service levels, are all spelled out in the contract and are closely monitored by public agency personnel.

California has resisted allowing contractors to expand services because they prefer to provide most of the visitor services with State employees. Public funding to provide these services has not been adequate for many years. As a result, the public service provided to visitors has decreased. At the same time, State Parks System facilities are deteriorating as evidenced by a multi-million dollar backlog of deferred maintenance projects.

Contract operators have long demonstrated the ability to provide quality services at less cost and increasing revenue for the State by effective marketing and revenue collection. At all levels of government, contract operators have effectively operated parks at a substantial savings to taxpayers. California State Parks had this experience in the 90’s when they entered into contracts for the operation of three State Park units. The President of the company who operated those parks for the State is here with us today. He can personally attest to the fact that contractors can provide quality services at a savings to the State.

Do you have any questions of me before I turn to Eric Mart to complete our testimony?