

September 12, 2018

# Potential Recreational Access Fee Options

House Appropriations Committee

**OFM**

OFFICE OF FINANCIAL MANAGEMENT



# History of Recreation Access Passes

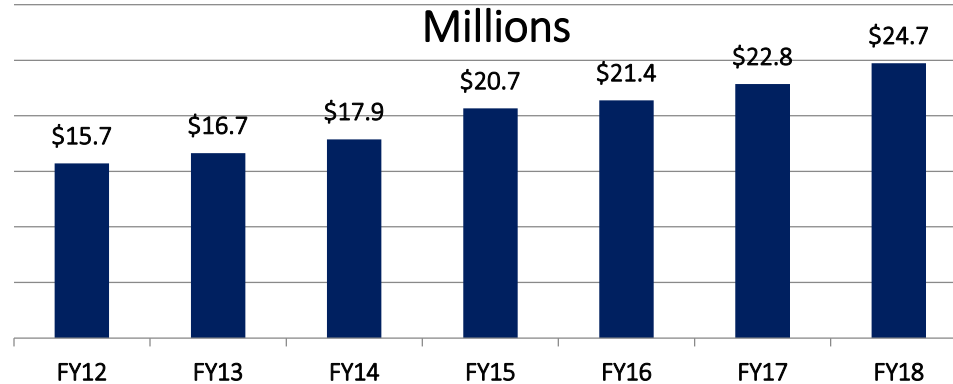
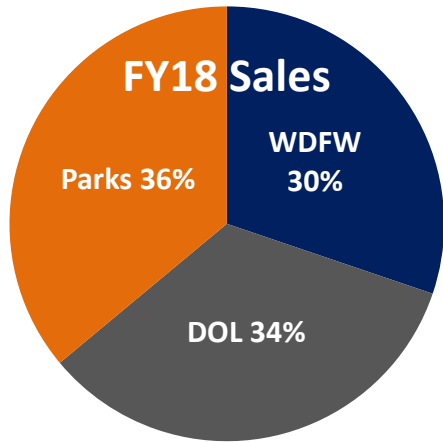
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## Discover Pass

- **History:** As of July 2012 a Discover Pass was required for day use vehicle access at
  - **State Parks** Day Use Areas and Campgrounds
  - **Department of Fish and Wildlife** Wildlife Areas and Water Access sites
  - **Department of Natural Resources** Recreation Sites.
- **Costs**
  - \$30 Annual Pass
  - \$10 Daily Pass
- **Distribution**
  - 84% to State Parks
  - 8% to WDFW
  - 8% to DNR

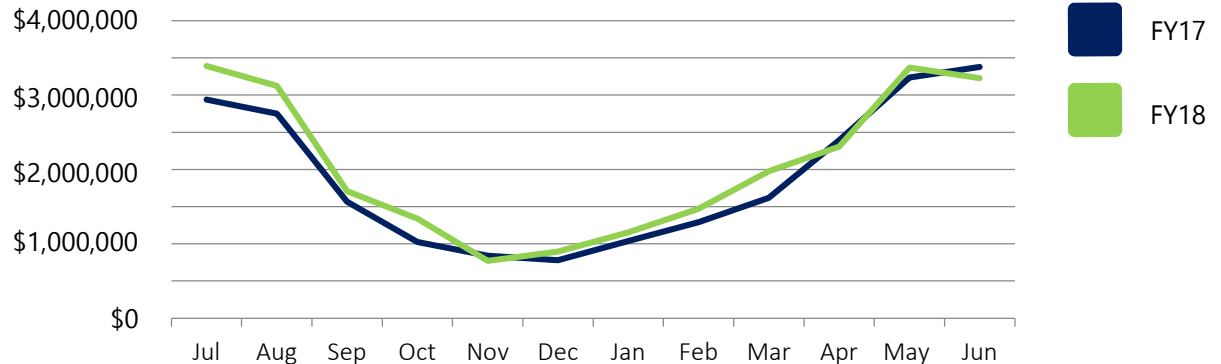
# Discover Pass Financial Performance

## Current State



Annual Revenue

### FY17 – FY18 COMPARISON



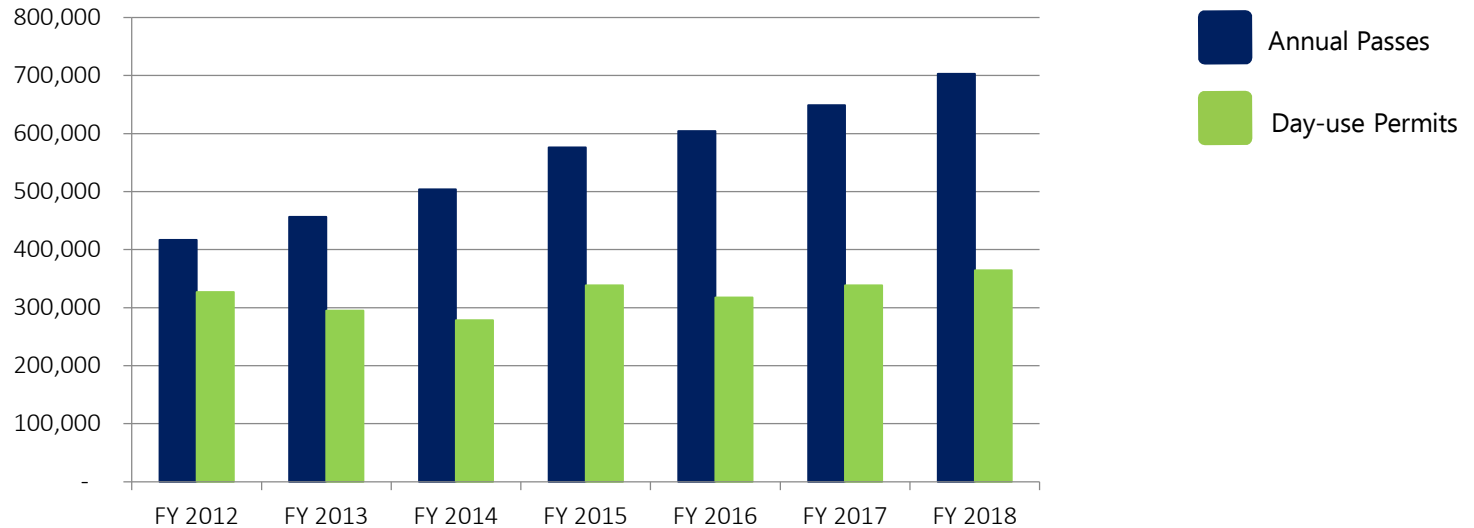
FY 12 - FY18 –57% Revenue Increase

Sales Platforms fairly stable

Business Strategy

# Discover Pass Sales Performance

## Background



## Substantial, On-going Financial Growth

Improvement in  
Discover Pass sales  
FY12 to FY18 = 43%

About 320,000 more  
passes sold in FY18 than in  
FY12

Annual pass sales  
continuously  
increasing share  
over day passes

# Recent Studies

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## Recreation Pass Options

- In November, 2017 the WSU/UW Ruckelshaus Center completed:

*Recreation Fees in Washington: Options and Recommendations*

Study goal:

**“coordinate a process to develop options and recommendations to improve consistency, equity, and simplicity in recreational access fee systems while accounting for the fiscal health and stability of public land management.”**

- Options Proposed by the Leadership Team
  - Pass-Free
  - Improved Two-Vehicle Pass System
  - Reduced Fee Single Vehicle Pass

# Recent Studies

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- In May 2018, OFM retained the Washington State University Impact Center in the School of Economic Sciences to conduct further analysis of the options proposed in the Ruckelshaus study.
- Based upon legislative proviso this analysis is to:
  1. Recommended pass products, exemption and discount types and levels
  2. Specify price points for each package that would increase revenues of 5%, 10% and 15%
  3. Describe implementation and logistical considerations of selling passes
  4. Describe fiscal impact of options.

# Preliminary Findings

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**Pass Free option:** Replacement of Discover Pass revenue could be reached by a vehicle license fee that is less than the \$7-\$15 a car suggested by the Ruckelshaus study.

**Improved Two-vehicle pass:** Modelling shows that the current system comes close to capturing expected demand at the current price. Reducing the cost of the pass may have a greater potential to raise additional revenue than an upward adjustment in price.

**Reduced single vehicle pass:** Has the potential to increase revenue but forecasting revenue is challenging because we don't have data to project how many current Discover Pass holders would buy multiple passes and its impact on purchases of daily passes.

# Next Steps

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- WSU will complete the final report with support of OFM and state natural resource agencies
- Final report release October 1, 2018
- Governor's Budget release by December 20, 2018.



# Next Steps

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Questions?