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# SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair  
2023 - 2024 Regular Session

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## AB 618 (Bauer-Kahan) - State parks: reservations

**Version:** July 5, 2023

**Urgency:** No

**Hearing Date:** August 14, 2023

**Policy Vote:** N.R. & W. 9 - 0

**Mandate:** No

**Consultant:** Ashley Ames

**Bill Summary:** This bill would require changes to the Department of Parks and Recreation (State Parks) camping reservation system, and would institute a reservation lottery drawing for up to five of the most popular camping and lodging sites.

### Fiscal Impact:

- State Parks estimates one-time costs about \$25.2 million to update its systemwide connectivity to comply with the reservation requirements in this bill, among other things, as well as ongoing costs of about \$256,000 annually for 2 positions to monitor credit transactions and deposit processing, review and approve transactions, perform monthly reconciliation, and provide other accounting support (State Parks and Recreation Fund [SPRF] or General Fund).

**Background:** The state park system, managed by State Parks, contains nearly 280 parks and serves about 70 million visitors each year. The parks cost over \$400 million a year to operate. These costs are mainly supported by the state General Fund and revenue generated by the parks, including roughly \$100 million in fees paid by park users for day use, camping, and special events.

There are almost 15,000 campsites within the state park system. Similar to park units, campsites have different classifications. However, these classifications are typically applied to a specific campsite rather than an entire campground or park unit. Campsite classifications generally reflect the level of amenities offered and the features of a site. For example, so-called "*primitive*" sites might be more remote and provide little more than a clearing for your tent. "*Developed*" campsites have more amenities that can include vehicle access, fire pits or fire rings, showers, and a water supply. "*Camper hook-up*" sites often include electrical and water hook ups for campers or motor homes as well as dump stations to dispose of sewage. "*Premium*" sites often include a unique feature, such as ocean views.

*General Fund and Fees Are Main Funding Sources for Park Operations.* Park operations is funded from several sources. About one third is funded from the General Fund, and one quarter comes from park user fees. Other funding sources for state park operations include revenue from fuel taxes, federal highway dollars for trails, the cigarette surtax, and various special funds designated for natural resource habitat protection.

Individual parks generate revenue primarily from park user fees and concession agreements. Park users pay fees to enter state parks, as well as for parking and specific recreational activities, such as the use of overnight campsites. Parks also receive revenue from contracts with state park concessionaires that provide certain services at state parks, such as restaurants, rentals, or gift shops. Revenues from park user fees and concession

agreements are deposited into SPRF, which is administered by DPR. In general, about two-thirds of revenue and transfers to SPRF is from park user fees. The other third is mostly revenue from concessionaire agreements and motor vehicle fuel tax revenue.

*Camping reservations.* For many campsites and lodging locations, reservations are available six months in advance of the arrival date through an online or phone-based reservation system called Reserve California, which is managed by a contracted vendor. Not all state park units utilize the Reserve California system, with roughly 150 park units lacking internet connectivity. The current reservation system contract expires in 2024. State Parks anticipates issuing a request for proposals (RFP) in Spring 2023 and awarding a new contract by August 2023.

Many camping and lodging locations are very popular and some sites are reserved within minutes of becoming available. State Parks estimates there are about 10 very popular locations. All sites become available for reservations at 8 AM six months prior to the reservation start date. However, there are anecdotal stories of fully reserved popular campsites with many empty spots due to no-shows. State Parks estimates a system wide cancellation rate of 15 percent. It is unclear if this figure includes no-shows.

The maximum financial consequence for booking a site and then not showing up is typically the forfeiture of the cost of a single night plus a reservation fee. The current reservation system vendor does not send reminder emails to reservation holders prior to the reservation start date.

*National park reservation lotteries.* The National Park Service implemented an early access lottery system for the 2022 and 2023 camping seasons at the North Pines Campground in Yosemite National Park. The goals of the lottery were to: create a better experience that reduces confusion and frustration for the highly competitive reservation process; offer a new method for reserving campsites at this high-demand location for a more equitable experience; and address visitor complaints about the perception of an unfair reservation process.

Successful lottery applicants had an opportunity to make a reservation for campsites in North Pines Campground during a less-competitive early access period. Following the early access period, any remaining availability was released on the usual on-sale dates (five months in advance on the 15<sup>th</sup> of the month). During the 2022 lottery pilot, there were 22,033 applications for the 640 time slots, resulting in a success rate of 2.9 percent. Of people awarded an early access time slot, 82.5 percent made a reservation, resulting in 48 percent of availability being booked. In 2023, there were 2,500 time slots, but data is not yet available about applications and bookings made.

*Annual state park passes.* State Parks has several annual passes that grant day use to pass holders. Camping discounts are not typical for annual pass holders, except for the Disabled Discount Pass and the Distinguished Veteran Pass. The Golden Bear Pass is offered free to CalWORKs recipients, supplemental security income (SSI) recipients, and those whose incomes fall under a certain threshold. Since the five-dollar fee was waived and enhanced coordination with CalWORKS began in 2021, the number of annual Golden Bear Passholders has increased from roughly 2,000 to 35,000 in 2022.

*Towards equitable access.* In recent years the demand for public campsites has increased

as more people are heading to the outdoors for their well-being and mental health. It is the mission of State Parks to create “opportunities for high-quality outdoor recreation” for all Californians. However, not all Californians have historically enjoyed the same access to public spaces such as parks and beaches. Systemic barriers persist in keeping communities of color, persons with disabilities, and other groups out of public parks and beaches. State Parks has publicly recognized these systemic barriers to access and has committed to providing equitable access to high-quality outdoor recreation for underrepresented park users and underserved communities.

The California Outdoors for All initiative is focused on equitably expanding outdoor access to all Californians through focused investments in open space infrastructure, outdoor programming, and improvements to state systems. These efforts seek to undo deeply ingrained inequities, and preserve the cherished natural, cultural, and tribal resources as the fight against climate change intensifies. Additionally, the Outdoors for All initiative further advances two other state priorities, Nature Based Solutions and 30x30, by investing in California’s public lands and natural resources. A draft strategy is planned for release in Spring 2023.

**Proposed Law:** This bill would require changes to the State Parks camping reservation system, and would institute a reservation lottery drawing for up to five of the most popular camping and lodging sites. Specifically, this bill would:

1. Require, beginning January 1, 2024, any contract State Parks enters into to manage its reservation system to include all of the following:
  - a. A limit of 7 consecutive nights for reservations during peak season.
  - b. A limit of 30 days in a calendar year for a person to occupy a site in the same park or unitl.
  - c. Require, if someone cancels a reservation 8 calendar days or more before the reservation start date, to receive a refund of the reservation cost, excluding reservation fees.
  - d. Require, if someone cancels a reservation within 7 calendar days of the reservation start date, to receive a credit, excluding reservation fees, that may be used for a future reservation within 5 years.
  - e. Require, if someone cancels a reservation on the day of the reservation or after or fails to show up, to forfeit the reservation cost.
  - f. Require a site for which the reservation is cancelled 3 calendar days or more to be made available for reservation through the online reservation system.
  - g. Require a site for which the reservation is cancelled within 3 calendar days, the person with a reservation does not show up and does not provide advance notice to state park staff of a late arrival, or has not been reserved up to 2 days prior to be made available up walkup reservation.
    - i. Require sites available for walkup reservation to be displayed in real time as available on the online reservation system, but not be available for reservation through the online system.
  - h. Require the contractor to send at least two reminder emails to reservation holders, with the following information:

- i. Ten days before the reservation start date, encouraging cancellation before seven calendar days to receive a refund, excluding any reservation fees.
  - ii. Four days before the reservation start date, encouraging cancellation before three calendar days to receive a credit, excluding any reservation fees.
- i. Require the contractor to notify the reservation holder that the entire reservation cost will be forfeited with no credits given as specified.
- j. Authorize State Parks, upon appropriation by the Legislature, to use the forfeited reservation costs for deferred maintenance projects.
2. Require, by January 1, 2025, until January 1, 2029, State Parks to implement a reservation drawing for up to five of the most popular units of the state park system.
  - a. Authorize State Parks to determine the top units based on units that have the most booking interest six months before the reservation date.
  - b. Require the reservation drawing to occur at least once per year for each of the selected units.
  - c. Authorize State Parks to continue to use the reservation system in (1) for the most popular units of the state park system for a subset of camping or lodging sites in order to provide an analysis between the reservation drawing process and the existing reservation system processes.
  - d. Require, by January 1, 2028, State Parks to provide a report to the Legislature regarding the reservation drawing, including the analysis from (c), as specified.

**Related Legislation:**

AB 148 (Committee on Budget), Chapter 115, Statutes of 2021, eliminates the Golden Bear Pass fee through July 1, 2024, among other provisions.

**Staff Comments:** The share of costs that should be borne by park users is a policy decision about the state's priorities for the park system. There is not necessarily a "right" level of fees or share of costs that park users should pay. Instead, the Legislature must weigh revenue, access, and preservation goals to determine what fee levels best balance all three in order to further its priorities for the state park system.

The amount of funding that comes from visitors versus public funds depends on how the Legislature prioritizes the goals of (1) revenue generation to support park activities, (2) broad public access, and (3) the preservation of natural and historic resources. While these goals are sometimes complimentary, they can also sometimes conflict, resulting in trade-offs among them.

On the one hand, generating fee revenue helps to support the state park system and fund a wide range of activities and personnel that benefit visitors and the public. Fees can also influence which parks people visit and when they go. For example, charging lower fees during weekdays or the off-season can encourage users to visit parks when they are less crowded. Therefore, fee levels can provide superintendents with a tool to better distribute

park demand in order to reduce overcrowding at popular parks during peak times and encourage visitorship at less visited parks or during slower periods. This can help support resource preservation goals at parks where high visitorship can strain natural habitat or infrastructure. It can also help improve public access by providing lower-cost opportunities to visit parks that are less popular or during off-peak times.

On the other hand, there are inherent trade-offs with park user fees. If fees reach a certain level, they can potentially reduce access to state parks, particularly for lower-income individuals and families. This could be detrimental to other state goals, such as the California Outdoors for All initiative. Moreover, the state has an interest in Californians visiting their natural and cultural resources, learning about their state's history, and having opportunities for outdoor recreation and associated health benefits. Keeping fees low encourages people of all income levels to visit state parks.

Historically, the Legislature has recognized that park user fees are one appropriate source of funding to support state parks. User fees have traditionally played a significant role in supporting the park system, though the amount of park operations expenditures covered by fees has fluctuated over time. Relying on user fees to fund park operations makes sense. Park users receive direct benefits from visiting parks, such as recreational opportunities (like hiking and swimming). Moreover, providing these benefits drives a significant portion of state operational costs. For example, the provision of well-maintained trails, educational exhibits near points of interest, and restrooms at trailheads directly benefit park visitors. In addition, consumers typically pay for recreational activities and other services that provide direct benefits when offered by the private market.

However, State Parks also provide significant public benefits. Many valuable public resources—such as unique natural features, scenic landscapes, historical monuments, and wildlife habitat—are located in state parks. For example, Natural Bridges State Beach features a naturally occurring mudstone bridge that was formed over a million years ago and was carved by the Pacific Ocean over time. The park also provides habitat for nearly 150,000 monarch butterflies that migrate as far as 2,000 miles to the park. Another park, Hearst San Simeon State Historical Monument, contains publisher William Randolph Hearst's 115-room "Hearst Castle," designed by California architect Julia Morgan. These resources are an important part of California's cultural identity and history, and it is reasonable for some of the costs associated with preserving and maintaining these resources to be supported by a broader segment of Californians through public funding sources, such as the General Fund. Likewise, the state has an interest in providing equitable access to high-quality outdoor recreation for underrepresented park users and underserved communities, and providing state funds for these purposes makes sense.

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