

## **STATE PARK FUNDING**

**THE PROBLEM:** Missouri's nationally renowned system of state parks and historic sites is gravely imperiled by diversions from the Parks Sales Tax (PST) and inadequate funding for capital improvements (CI). The system is only middling among the states in number of units (85), acreage (c. 140,000), staff (c. 600 merit FTE), and funding (c. \$50 million/year), yet it has been recognized as one of the best in the nation owing to the quality of the natural and cultural resources it protects, the quality of management, and strong citizen support. That quality is now severely jeopardized by recent staff cuts and years of inadequate funding for infrastructure rehabilitation and other vital capital improvements, of which there is now a \$200 million backlog. The recent draconian elimination of over 100 staff positions—at 17 percent of merit staff probably the most severe hit of any state agency—was necessitated by the fact that parks, almost alone among state agencies, received not one cent of extra federal funding in the last legislative session to cushion the blow of the current economic crisis.

**BACKGROUND:** Missouri state parks have historically been supported by four funding sources: the state's general revenue (GR), a dedicated tax, park earnings from fees and concessions, and periodic infusions for CI from bond issues, federal funds and donations. The current 1/10<sup>th</sup> of 1% Parks and Soils Sales Tax, of which parks gets 50% (now c. \$40 million) was initially approved in a statewide vote in 1984 and renewed in 1988, 1996, and 2006 (next, 2016). Major federal funds for CI came to Missouri during the 1930s depression and the Land and Water Conservation Fund in the 1960s and '70s, while the last significant CI bond issue was the Third State Building Fund of the 1980s, of which parks was allocated about 10% or \$60 million.

When GR of about \$11 million (for salaries) was stripped in 1989, both salaries and benefits (25% of salaries or more, not previously charged to the park budget) had to be paid from the PST. Other diversions from the PST (for oversight, ADA compliance, legal settlements, etc.) and more than 300 exemptions to the sales tax by legislative or court action have undermined the capacity of the PST to fund CI, hence the \$200M backlog. Now the economic downturn is resulting in \$4 million *lower* PST revenues, necessitating the staff cuts.

**THE SOLUTION:** While various policy and legislative changes could provide some relief—and we must remain alert to address them—the measure most likely to pass in the next legislative session is a \$700 million to \$1 billion bond issue for CI similar to a referendum for higher education bonds introduced by Chris Kelly (D) and Steven Tilley (R) in the last session; it passed the House and was approved by the Senate Appropriations Committee, where it was amended to include up to \$250 million for parks and other state agencies, but then died under threat of filibuster. At the MPA annual meeting October 24, Chris Kelly said he plans to reintroduce such a bond issue, and that other state agencies—presumably including state parks—may be included this time.

**We advocate that 10% of a state CI bond issue be designated for state parks, with the amount for parks specified in the bill.** The measure will likely be called the Build America Bonds (for which 35% of the interest may be paid from federal stimulus funds) and/or the Fifth State Building Fund, which could utilize the annual revenue stream freed by the impending retirement of the Third State Building Fund. The referendum would have to be approved by a vote of the citizenry; the widespread public support for state parks (as reflected in the 71% "yes" vote in the 2006 PST renewal) is a major selling point for including state parks.

### **ROADBLOCKS:**

- Current economic crisis: everyone is clamoring for funding, and parks may be considered just a luxury.
- Widespread legislative perception that parks don't need help because they have the dedicated PST.
- Confusion of parks (in the Department of Natural Resources) with the Conservation Department.
- Difficulty of finding legislative champions for the system as a whole, especially in view of term limits.
- Park CI needs are largely for renovation of infrastructure—underground, unsexy, hard to sell.

### **NEXT STEPS:**

- **Form broad-based coalition of organizations and individuals, including health groups.**
- Work with DNR on list of projects, economic analysis, slide show, and projects by legislative district.
- Develop website with links to legislators and up-to-date information.
- Build robust email network for alerts.
- **Beginning immediately, encourage citizens to discuss park funding needs with their legislators.**

**FOR FURTHER INFORMATION, CONTACT MISSOURI PARKS ASSOCIATION <http://parks.missouri.org>**