

**TO:** Governor McMaster, Governor of South Carolina

**FROM:** Ellie Smoak, Clemson University student

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**RE:** Parks Admissions and Funding

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## **Overview**

In 2019, South Carolina State Parks became 100% financially independent, as they fund their parks with user fees, which increased admission fees. This has been promoted as a way to improve the parks, without relying on government aid. The idea sounds promising, but the reality is that the parks are still not independently run. There is still government involvement, because the revenue is not staying within the park system. If the South Carolina state parks want to remain “financially independent,” there should be a method in place for the park systems to keep 100% of the user fee revenue in order to operate efficiently.

## **Background and Analysis**

Within many public state parks, even with their own revenue, government funding is heavily relied on for proper operation. All of the revenue earned gets handed to the state, and the state is able to decide where that money goes. Usually the money does not go back into the parks. Some parks are barely surviving due to this. This is usually when parks look to other methods of funding other than from the state. Relying on user fees can benefit the park by increasing admission costs and implementing yearly pass memberships. Parks are even able to increase prices when demand is higher. For instance, a boat landing can increase revenue by raising the cost to put in a boat in the summertime. Higher fees can hinder lower-income families from enjoying state parks, especially if ticket prices are increasing based on demand. On the other hand, some parks actually fail due to relying on user fees. They aren't able to fix damages or make improvements solely by relying on user fees. The parks have to be completely one or the other: relying on 100% user fees with none of the revenue going to the state, or relying 100% on the state with none of the revenue going to the park without going through the government first.

## **Potential Options**

1. Use a general sales tax to support funding for state parks. This would be a low tax rate for an individual, but it would generate a decent amount of funding. The problem with this approach can stem from taxes on certain recreational items like ATV's, guns, and RV's, which would leave the users of these items influential on where the revenue goes. The sales tax plan would need to be a general tax on all items.
2. Allow state parks to rely on user fees that are not changed due to demand, and all the parks in the state must have the same fee. The state can rely on user fees for the entire park system, but the government must not use the revenue anywhere except state parks.

## **Policy Recommendation**

User fees are going to stay in park systems, but they must be 100% the park's revenue. States need to decide a reliable, sustainable source of funding for their parks. The way of doing this needs to be through dedicated funds. The best way to be inclusive to all demographics for funding state parks is to find a balance between state involvement and park involvement. This can be done through having all user fees in rotation with exclusively state parks. This would fix the problem of the revenue going towards other government agencies, while keeping the parks maintained and available to all.

## **Conclusion**

The decision to make South Carolina State Parks 100% independently funded should be reevaluated as it does not allow parks total control of their revenue. The states must agree on a common admissions fee in order to accommodate lower income families. If government involvement is needed, a sale tax should be implemented to salvage the parks. All of the total profits must remain in the state park system.

## **References**

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