

- SUBJECT:** Authorizing official for-profit partnerships with TPWD
- COMMITTEE:** Culture, Recreation, and Tourism — committee substitute recommended
- VOTE:** 7 ayes — Guillen, Elkins, Deshotel, T. King, Kuempel, Larson, Price  
0 nays  
2 absent — Dukes, T. Smith
- WITNESSES:** For — Sandra Crenshaw, African-American Heritage Network;  
(*Registered, but did not testify:* Steven Bender, National Wildlife Federation, Texas Teaming with Wildlife Coalition; George Bristol, Texas Coalition for Conservation; Matt Phillips, The Nature Conservancy; David Weinberg, Texas League of Conservation Voters)  
  
Against — None  
  
On — Robert Norris, Legislative Budget Board; Lydia Saldana, Texas Parks and Wildlife
- BACKGROUND:** Under the supervision and guidance of the Parks and Wildlife Commission, the Texas Department of Parks and Wildlife (TPWD) currently has the authority to enter into an official partnership with a single non-profit organization in order to meet the goals of the department. The Texas Parks and Wildlife Foundation currently is the official non-profit partner of TPWD.
- DIGEST:** CSHB 1300 would authorize TPWD to enter into partnerships with for-profit entities to raise funds for state site operations and maintenance and for projects and programs considered a priority by the department. State sites would include state parks, natural areas, wildlife management areas, fish hatcheries, or historic sites under TPWD's jurisdiction. A for-profit entity could be designated an official corporate partner with commission approval. The commission would adopt rules and guidelines for partnerships between TPWD and official corporate partners.
- Donations.** Official corporate partners would be allowed to provide contributions, gifts, grants, and promotional campaign proceeds directly to

the department or to accept them on behalf of the department. TPWD would have to ensure the prompt transfer to the department of donations accepted on its behalf by the corporate partner.

The bill also would authorize TPWD to contract with official corporate partners for joint promotional campaigns or other fundraising efforts conducted by the department for state site operations and maintenance or other priority projects. The bill would not limit the department's authority to accept other authorized donations.

**Park passes and licensing fees.** CSHB 1300 would allow TPWD to enter into agreements with appropriate entities to sell state park passes at retail locations. TPWD could contract with entities for the use of its brand in exchange for licensing fees. Licensing fees received as a result of these agreements could be used for any use authorized by current law. The commission could adopt rules to implement these agreements.

**Advertising.** The bill would require the commission to adopt rules prohibiting inappropriate commercial advertising in areas under the jurisdiction of the TPWD in order to protect the integrity of the sites and enjoyment of visitors.

**Effective date.** The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2011.

SUPPORTERS  
SAY:

With proposed cuts to appropriations for TPWD, CSHB 1300 would allow the department to increase contributions from private sources by granting it flexibility to use alternative fundraising methods. The bill is based on recommendations of the LBB in its 2011 *Government Effectiveness and Efficiency* report. By permitting TPWD to enter into partnerships directly and with more than one corporation, the bill would give the department more opportunities to generate much-needed revenue.

In recent years, private donations to TPWD have fluctuated greatly. They are unpredictable because they often are given for specific purposes, time periods, or projects and should not be considered reliable sources of funding. The ability to engage in several corporate partnerships at once would allow TPWD to identify more consistent private donations for annual budgeting purposes.

CSHB 1300 would provide protection for funds raised by TPWD. Any revenue raised by alternative methods authorized under the bill would be allocated directly to the department for the use and benefit of the agency, with no threat of the funds being shifted or reallocated to other agencies or programs.

TPWD would be well prepared to defend against the threat of commercialization of the state's natural assets. The department has years of experience in managing relationships that resulted from sponsorships with highly visible and reputable corporations. Since 1992, through the Texas Parks and Wildlife Foundation, the department has benefited from corporate sponsorships with companies such as Toyota, General Motors, Academy Sports and Outdoors, Wal-Mart, and Odwalla. CSHB 1300 simply would expand the private and public relationships from which TPWD currently benefits. The intent of the bill to continue this trend of appropriate partnership would be ensured by oversight and guidance provided by the commission.

CSHB 1300 would allow Texas to join other states that have benefitted from alternative fundraising efforts for parks and wildlife programs. Similar partnerships in other states have allowed their agencies to fund necessities, such as infrastructure and recreation projects. For example, California was able to reforest a state park and to restore several state beaches with revenue obtained through corporate partnerships. Increased funding for TPWD would increase its ability to acquire new parks and to maintain those currently in jeopardy of being closed.

The bill would provide the means to enhance the visibility of Texas parks, recreational areas, and historic sites and to increase revenue generated by tourism. Corporate partnerships have generated a tremendous amount of free advertising for California's Department of Parks and Recreation. As a result of promotions and press generated by corporations, California residents were exposed to more information about state parks.

CSHB 1300 would create other opportunities for TPWD to generate revenue. Providing the department with discretion to enter into agreements to sell state park passes at appropriate retail locations would increase opportunities for the public to buy these passes. Also, the ability of TPWD to license the use of its brand would provide a method of revenue generation that the agency easily could monitor. The commission would be authorized to adopt rules to implement these additional

fundraising methods, providing a safeguard against any possible mismanagement by TPWD.

OPPONENTS  
SAY:

CSHB 1300 would do little to prevent commercialization of state sites under the jurisdiction of TPWD because it would directly conflict with the Legislative Budget Board's recommendation to statutorily prohibit advertising in state parks, historic sites, and natural areas. The intrinsic value of the areas under the jurisdiction of TPWD could be diminished with the use of commercial advertising. With a possible increase in the presence of corporate advertisements, state sites could become associated with specific companies and corporations. Parks, historic sites, and natural areas in Texas should be associated with the state, not corporations.

There is not a way to estimate the amount of revenue corporate partnerships would generate under the bill, so it is not possible to assess the total economic benefit that would result from these relationships.

There is no way to predict changes in the public image of entities entering into licensing agreements with the department. Allowing TPWD to license its brand could jeopardize its image and, ultimately, that of the state.

NOTES:

The committee substitute differs from the original version of the bill by:

- allowing funds generated from corporate partnerships to be used for priority projects and programs;
- adding wildlife management areas and fish hatcheries to the definition of “state sites”;
- increasing the number of corporate partnerships allowed;
- specifying that the department's ability to accept other authorized donations would not be limited by the bill;
- expanding the use of revenue from the retail sale of licenses to any use currently authorized by law; and
- requiring the commission to prohibit inappropriate commercial advertising, rather than authorizing it to assess and limit it.

The LBB's fiscal note indicates that the amount of revenue that would be raised by the activities authorized in the bill is indeterminate.