



# INTERIM REPORT

## TO THE 88<sup>TH</sup> TEXAS LEGISLATURE

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HOUSE COMMITTEE ON CULTURE, RECREATION AND TOURISM  
NOVEMBER 2022



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**HOUSE COMMITTEE ON CULTURE, RECREATION AND TOURISM  
TEXAS HOUSE OF REPRESENTATIVES  
INTERIM REPORT 2022**

**A REPORT TO THE  
HOUSE OF REPRESENTATIVES  
88TH TEXAS LEGISLATURE**

**KEN KING  
CHAIRMAN**

**COMMITTEE CLERK  
MEGAN QUIJANO**

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Committee On  
Culture, Recreation and Tourism

November 14, 2022

Ken King  
Chairman

P.O. Box 2910  
Austin, Texas 78768-2910

The Honorable Dade Phelan  
Speaker, Texas House of Representatives  
Members of the Texas House of Representatives  
Texas State Capitol, Rm. 2W.13  
Austin, Texas 78701

Dear Mr. Speaker and Fellow Members:

The Committee on Culture, Recreation and Tourism of the Eighty-seventh Legislature hereby submits its interim report for consideration by the Eighty-eighth Legislature.

Respectfully submitted,

Ken King

Barbara Gervin-Hawkins

DeWayne Burns

Travis Clardy

John Frullo

Celia Israel

Matt Krause

Armando "Mando" Martinez

Christina Morales

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## INTRODUCTION

The Texas House Rules for the 87th Legislature state that the House Committee on Culture, Recreation and Tourism (the Committee) is made up of nine members, with jurisdiction over all matters pertaining to:

- 1) the creation, operation, and control of state parks, including the development, maintenance, and operation of state parks in connection with the sales and use tax imposed on sporting goods, but not including any matter within the jurisdiction of the Committee on Appropriations;
- 2) the regulation and control of the propagation and preservation of wildlife and fish in the state;
- 3) the development and regulation of the fish and oyster industries of the state;
- 4) hunting and fishing in the state, and the regulation and control thereof, including the imposition of fees, fines, and penalties relating to that regulation;
- 5) the regulation of other recreational activities;
- 6) cultural resources and their promotion, development, and regulation;
- 7) historical resources and their promotion, development, and regulation;
- 8) promotion and development of Texas ' image and heritage;
- 9) preservation and protection of Texas ' shrines, monuments, and memorials;
- 10) international and interstate tourist promotion and development;
- 11) the Texas Economic Development and Tourism Office as it relates to the subject-matter jurisdiction of this committee;
- 12) the Gulf States Marine Fisheries Compact;
- 13) and the following state agencies: the Parks and Wildlife Department, the Texas Commission on the Arts, the State Cemetery Committee, the Texas State Library and Archives Commission, the Texas Historical Commission, the State Preservation Board, and an office of state government to the extent the office promotes the Texas music industry.

At the beginning of the 87th Legislative Session, the Honorable Dade Phelan, Speaker of the Texas House of Representatives, appointed Chair Ken King, Vice-Chair Barbara Gervin-Hawkins, Representative DeWayne Burns, Representative Travis Clardy, Representative John Frullo, Representative Celia Israel, Representative Matt Krause, Representative Armando "Mando" Martinez, and Representative Christina Morales to the House Committee on Culture, Recreation and Tourism.



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## INTERIM STUDY CHARGES

### **CHARGE I: Oversight**

Monitor the agencies and programs under the Committee's jurisdiction and oversee the implementation of relevant legislation passed by the 87th Legislature. Conduct active oversight of all associated rulemaking and other governmental actions taken to ensure the intended legislative outcome of all legislation, including the following:

- HB 1728, relating to partnerships between the Texas Parks and Wildlife Department and nonprofit entities to promote hunting and fishing by certain veterans; and
- HB 3081, which relates to the issuance of digital tags for the taking of certain animals.

### **CHARGE II: Travel and Tourism**

Review the overall state of Texas' travel, tourism and hospitality industry. Make recommendations for statutory and regulatory changes to ensure industry resiliency and vitality. Consider the following:

- Access to federal recovery programs and efforts that enable the draw-down of federal funding;
- Improvement of workforce reliability; and
- Use of the supplemental money appropriated to the Governor's Office of Economic Development and Tourism through SB 8 (87S3).

### **CHARGE III: Texas State Parks**

Review state efforts to preserve and develop Texas state parks and open spaces to ensure affordable public access to outdoor recreational and educational opportunities.

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## **CHARGE I: Oversight**

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- *HB 1728, relating to partnerships between the Texas Parks and Wildlife Department and nonprofit entities to promote hunting and fishing by certain veterans; and*
- *HB 3081, which relates to the issuance of digital tags for the taking of certain animals.*

A public hearing was held on September 21, 2022, and the following witnesses testified on charge 1:

September, 21, 2022 - Texas State Capitol, Room E2.016, 10 a.m.

1. Donnelly, Garrett (Texas Historical Commission)
2. Eichler, David (Texas Parks and Wildlife Department)
3. Riechers, Robin (Texas Parks and Wildlife Department)
4. Wolfe, Mark (Texas Historical Commission)

The information below is largely based on the oral and written testimony of the individuals and organizations listed above.

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*Texas Historical Commission*

Texas Historical Commission (THC) programs and the dedicated staff support Texas history and historic preservation statewide. The 10 regions of the Texas Heritage Trails Program helps bring history-oriented travelers to 254 counties and the towns and cities of every legislative district. THC helps Texans find the heritage they love—90 Main Street communities, 900 history museums, 17,000 state historical markers, many thousands of historic cemeteries and historically designated buildings and places. They also protect archeological treasures across the state and manage cultural collections valued at more than \$50 million. Additionally, with help from the Texas Parks and Wildlife Department (TPWD), THC manages our state’s official Longhorn herd.

Between 2005 and 2019, the Texas Legislature transferred 25 historic sites from TPWD to THC and transferred the French Legation in Austin, from the Texas Facilities Commission (TFC). All but two of those transfers were driven by Sunset Commission recommendations to encourage the preservation of their historical significance. Commission action has adopted four more sites since 2015. With the recent addition of the Bush family home in Midland and the Presidio La Bahia in Goliad, THC state historic sites now number 36, a significant improvement from 2005 when there was only one, the Sam Rayburn House in Bonham. By location, the historic sites range from Sabine Pass to El Paso’s Magoffin Home and from Goodnight Ranch to the Port Isabel Lighthouse.

Comparable only to the Alamo, San Jacinto Battleground is arguably the single most important tourism site of the Texas revolution. It deserves sufficient new investment to ensure a remarkable visitor experience. THC Commissioners and staff continue dialogue with effected parties regarding the aftermath of the Battleship Texas’ departure from the battleground. While there have been some updates to the battleground, such as the addition of the Jesse Jones Theater, the focus has primarily been on maintenance, such as restoration work on the 1939 reflecting pond. Looking toward the 2036 Bicentennial of Texas Independence, THC Commissioners have plans for approximately \$102.7 million worth of improvements, including a new Visitor Center & Museum to be added to the back of the existing San Jacinto Monument base.

In addition, the THC is examining the potential to fill in the Battleship Texas anchorage slip, which was excavated from the Battleground in 1948. The THC Historic Sites Division continues to seek opinions and proposals from additional experts and contractors and has now entered into dialogue with the U.S. Army Corps of Engineers. It’s certain that a permanent solution addressing potential erosion issues will cost many millions of dollars. Since the slip is adjacent to the encampment locations of Sam Houston and his Texian army units on April 21, 1836, successfully restoring the shoreline is essential to on-Site interpretation of the battle.

In November 2019, Texans voted overwhelmingly to constitutionally dedicate sporting goods sales tax (SGST) to state historic sites and recreational parks. As Texans turned to outdoor recreation to escape their homes during the pandemic, the SGST has trended UP, not down. Purchases of equipment and apparel have increased across the board to the benefit of THC and TPWD. While this increased funding still does not cover the costs of the agency’s Historic Sites Division, the additional money will help ensure these sites are available for all Texans to enjoy.

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The State Historic Tax Credit—passed in 2013 and effective January 1, 2015—is worth 25 percent of eligible rehabilitation costs and is available for buildings listed in the National Register of Historic Places, as well as Recorded Texas Historic Landmarks and Texas State Antiquities Landmarks. The credit can be used against either franchise or insurance premium taxes owed, and has been used in towns ranging in size from Houston to Round Top. Use of this credit has greatly increased in recent years. Since January 1, 2015 THC has completed review and certification of 355 state credit projects. Those projects represent total restoration spending of \$4.282 billion. Within that number, the credit-eligible costs are \$3.114 billion. This program puts a lot of empty buildings back into state and local tax base. The largest projects are able to use both state and federal tax credits for a total savings of 45 percent of eligible restoration costs.

Another THC program that has been successful over the years is the Texas Historic Courthouse Preservation Program. Of note, work is currently progressing on the Mason County Courthouse, nearly destroyed by an arson fire the night of February 4, 2021. THC also celebrated courthouse rededications in May 2021 in Marion County; September in Lipscomb County; October in Falls County; and in March 2022 in Fannin County. In addition to Mason, full restoration projects still in progress from the 2020 grant round include Callahan, Houston, and Taylor Counties. In July of this year, the Commission awarded full restoration grants to four counties—Hall, Kimble, Upshur, and Wise.

There is a perception that this program has slowed down, which is accurate. The next set of grants won't be awarded until summer 2024, meaning there will be 21 buildings fully restored in 15 years, compared to the 57 Courthouses finished using grants awarded in the first 10 years. With about 70 counties still in the program with hopes of a full restoration grant, some changes could help expand this program, such as raising the statutory cap of \$6 million for state grants to any county. That cap was last increased in 2007 and inflation alone argues for a new cap of \$10 million.

Throughout all of these programs, THC Commissioners and staff continue to be true advocates for the preservation and recognition of the history of the State of Texas.

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*Texas Commission on the Arts*

The Texas Commission on the Arts (TCA) continued to provide stability and flexibility to help sustain the state's arts field, even during the COVID-19 pandemic. This included allowing grantees to make adjustments to their projects and schedules, extending the Texas Touring Roster to 2024 rather than requiring artists to submit competitive applications in January 2022.

TCA designated three new cultural districts, bringing the total number of TCA designated districts at that time to fifty-one. The cultural districts are the Fair Park Cultural District in Dallas, the Laredo Cultural District, and the Westside Cultural Arts District in San Antonio.

The agency provided over 1,500 grants for arts activities to organizations across the state, totaling over \$10 million. These grants included:

- Arts Create grants for organizational operations totaling \$3.6 million, allocated to 477 organizations in 84 Texas cities.
- Arts Respond Cultural District Projects grants supported 80 applicants from 29 cultural districts in 24 cities, totaling over \$4.9 million. The program funds projects that use the arts to diversify local economies, generate revenue, and attract visitors and investment in official cultural districts.
- Arts Respond Project grants go to projects that address the priority issues of state government. In the first round, 303 grant awards totaling \$602,761 went to 303 arts organizations in 66 cities. The second round of 199 grant awards totaling \$588,946 went to 199 arts organizations in 51 cities.
- Arts Respond Performance Support grants provide partial support to help applicants host an artist from the Texas Touring Roster. Grants are awarded quarterly, with 393 FY2022 grants totaling \$465,478 going to schools, libraries, organizations and units of government across Texas.

Additionally, TCA managed the process of selecting the 2022 class of Young Masters. The Young Masters program provides 15 outstanding arts students in grades 8-11 with funding to pursue advanced artistic training before college.

In an attempt to expand accessibility to the arts, TCA selected eight Texas Touring Roster artists and groups to provide free performances in rural counties with populations under 50,000. TCA paid each artist a flat fee for the performances directly. Each artist or group provided six performances in their assigned area, and the performances were hosted by local nonprofits, units of government, or schools. In the summer, these tours often serve youth summer reading programs in libraries. This spring, several schools hosted performances and band workshops by these artists.

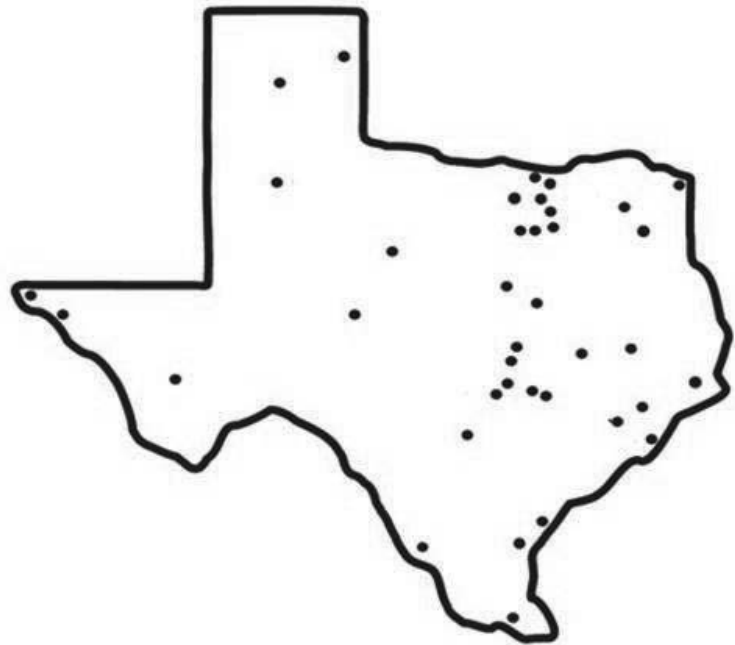
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On September 8, 2022, TCA Commissioners approved funding of 943 grants in the first funding round for fiscal year 2023. The grants total over \$11.6 million and will go to nonprofits and units of government in 120 Texas cities. These grants include the Arts Create program, which provides operational support to established arts organizations; the Cultural District Project program; the first of two funding rounds for the Arts Respond Project program; the quarterly Arts Respond Performance Support program; and the quarterly Commission Initiatives and Designated Funding program. Additional grant will be awarded in future quarters of the fiscal year.

TCA Commissioners also approved the designation of one new cultural district. Cultural districts are special zones that harness the power of cultural resources to stimulate economic development and community vitality. These districts can be focal points for generating business, attracting tourists, stimulating cultural development and fostering civic pride. The new cultural district is the Downtown Conroe Cultural District. This designation brings the total number of cultural districts in Texas to 52.

TCA’s Cultural District program has evolved to be an extremely important part of the agency’s work. The demand for grants supporting this work has increased dramatically. TCA first received an appropriation for Cultural Districts in 2016. In just six years, the number of organizations in designated Cultural Districts that are eligible to apply for funding has increased 97% from 110 to 217. Additional funding is necessary to continue support for this very successful and impactful program.

**Map of 52 Official Texas Cultural Districts**



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*HB 1728*

House Bill 1728 gives the Texas Parks and Wildlife Commission (Commission) the authority to produce guidelines and criteria for selecting a nonprofit partner to promote fishing and hunting opportunities for veterans. Through this opportunity, resident veterans are exempt from obtaining a hunting and fishing license if accompanied by a licensed hunter. Based on the bill's testimony, the effort is to give resident veterans a less intrusive or cumbersome way of learning to hunt and fish and provide an event for comradery for veteran's well-being.

As a result of internal discussions at TPWD, the Department provided the Texas Parks and Wildlife Commission with proposed guidelines and criteria for the selection of the nonprofit partner at the May 25th Work Session of the Commission. The Commission directed TPWD to publish the proposal in the Texas Register. With regards to the proposed criteria and guidelines, the following were published:

1. The selected nonprofit partner would have a three-year agreement which will minimize administrative duties and provide the nonprofit partner an extended period to plan hunting and angling opportunities for veterans.
2. The angling and hunting opportunities must occur on private lands or public waters in Texas.
3. All state and federal regulations apply to these opportunities. For instance, it does not exempt participants from Federal Duck Stamp requirements while waterfowl hunting.
4. Hunting and angling opportunities must be made available by means of a fair method of allocation or distribution.
5. These opportunities would be available at no cost to the participants. To be consistent with the intent of the legislation, TPWD staff wanted to minimize hurdles to our resident veterans for these opportunities.
6. Once a nonprofit partner(s) is selected, each angling and hunting opportunity made available through this partnership must be communicated to TPWD at least 30 days in advance. The nonprofit partner will be required to provide specific opportunity information (e.g., species), dates, locations, names/address of participants, and names/license number of licensed anglers or hunters accompanying the participants to TPWD. In addition, harvest logs and a report will be required from the non-profit partner. This information will help gauge the opportunities available to the resident veterans, ensure that nonprofit partners follow the legislation and enacted regulations, and that our TPWD Game Wardens are aware of the activities since no license will be required for these opportunities.
7. Also, TPWD will be responsible for supplying harvest logs, tags if the species normally requires a tag, and wildlife resource documents for transportation of the harvested game.



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These proposals were available for public comment prior to the August commission meeting. TPWD received 3 comments supporting the proposed criteria and guidelines. The Commission adopted these regulations on August 25, 2022, and directed the Department to publish the adoption notice in the Texas Register.

After adoption, TPWD is now preparing to post a request for proposals (RFP) for partnerships online for 60 days after publication in the Texas Register. Following an internal review process by TPWD staff, the selected nonprofit partner(s) will be required to enter a Memorandum of Understanding with the TPWD to ensure all laws, regulations, and policies are followed.

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*HB 3081*

House Bill 3081 was passed by the 87th Legislature relating to the issuance of digital tags for the taking of certain animals. HB 3081 included permissive language which allowed Texas Parks and Wildlife Department (TPWD) to develop recreational fishing and hunting licenses with digital tags. That bill followed HB 547 from the 86th Legislature which mandated that TPWD accept an electronic image of a license for verification furthering a digital record of licensing, or at least not a requirement to have paper licenses as proof of licensing.

TPWD, beginning with the 2022-23 license year, is now offering a pilot program for Texas residents to have the option to purchase a Digital Super Combo, Senior Super Combo or get Digital Lifetime Super Combo tags that authorizes digital tagging of harvested deer, turkey, and oversized red drum.

The digital licenses went on sale at the same time other licenses went on sale on August 15, 2022. From August 15, 2022 through October 2022, TPWD has sold/issued 62,157 Digital Super Combo, Senior Super Combo, and Lifetime Super Combo tags. In comparison to the total sales in those categories, that number represents approximately 13% of license sales overall.

Since the digital license holder does not receive a printed license or tags, they must have their digital license available while hunting or fishing. The license can be viewed through TPWD's Outdoor Annual and My Texas Hunt Harvest (MTHH) mobile apps.

The My Texas Hunt Harvest application should be downloaded prior to heading to the field to ensure the harvest report can be created, regardless of availability of data service. Immediately upon take of a deer, turkey, or oversized red drum, a digital license holder must create a harvest report using the My Texas Hunt Harvest application with a mobile device or web application.

Within the rollout that TPWD developed, TPWD's website has information to help constituents learn more about this opportunity and how to go about tagging their animals, whether they are within or outside of a cellular transmission area.

While the implementation has been successful so far, when deer hunting season starts, archery season on October 1st and regular season on November 5th, TPWD will get a better idea of how well the digital tagging system in the My Texas Hunt Harvest Application works on the ground with hunters and for law enforcement purposes.

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## **CHARGE II: Travel and Tourism**

*Review the overall state of Texas' travel, tourism and hospitality industry. Make recommendations for statutory and regulatory changes to ensure industry resiliency and vitality. Consider the following:*

- *Access to federal recovery programs and efforts that enable the draw-down of federal funding;*
- *Improvement of workforce reliability; and*
- *Use of the supplemental money appropriated to the Governor's Office of Economic Development and Tourism through SB 8 (87S3).*

A public hearing was held on September 21, 2022, and the following witnesses testified on charge 1:

September, 21, 2022 - Texas State Capitol, Room E2.016, 10 a.m.

1. Rees, Rodger (Port of Galveston)
2. Streufert, Kelsey (Texas Restaurant Association)
3. Zrubek, Terry (Office of the Governor)

The information below is largely based on the oral and written testimony submitted by interested parties, including those listed above.

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## *Introduction*

The travel, tourism and hospitality industry encompasses attractions, arts and entertainment, sports teams, sporting destinations, museums and experiences, destinations, hotels, restaurants, airlines and airports, and many more primarily small businesses across Texas and doing business in Texas. According to the Texas Travel Alliance, travel and tourism is among the largest export industries in the state, second only to oil and gas, and is a significant contributor to tax revenues from sales tax, motor fuel, alcohol tax, hotel occupancy tax and more. In 2019, the travel industry had over a \$169 billion impact to the Texas economy, generating over \$4 billion in state taxes and \$3 billion in local taxes. The industry is an economic driver for the Texas economy. In addition to generating local jobs and sales tax revenues that are reinvested in local economies and the state's budget, travel and tourism businesses help to create vibrant communities that visitors and locals love, appreciate, and take pride in. The restaurant industry even plays a critical role in our food supply, with restaurants representing 51% of the food dollar in Texas.

## *COVID-19 Impact*

The travel, tourism and hospitality industry in Texas was arguably the industry most impacted by the COVID-19 pandemic. As the pandemic spread across Texas, this industry experienced staggering losses in both employment and tax revenues generated. Pre-pandemic, the industry employed over 1.4 million Texans. As shutdowns and business closures took effect, the job losses mounted. By April of 2020, the industry had lost over 582,000 jobs.

The Leisure and Hospitality sector is now at roughly 94% of pre-pandemic employment with 482,200 jobs returned since a low point in April 2020 (Source: Texas Workforce Commission). According to data from Travel Texas (Office of the Governor Economic Development and Tourism), travel spending in the state recovered last year to 92% of pre-pandemic levels, with travel spending topping \$76 billion.

Aside from job and tax revenue lost, Texas lost an estimated 9,000 of our restaurant locations (approximately 18%). As horrible as each loss is for the community, Texas restaurants fared better than most because of the implementation of several successful programs, including:

- Promotion of the Texas Restaurant Promise, a set of restaurant and consumer safety protocols developed with CDC, FDA, and industry guidance;
- Creation and improvement of critical relief programs like the Paycheck Protection Program (PPP) and the Restaurant Revitalization Fund (RRF);
- Launch of the TX Restaurant Relief Fund, raising and distributing more than \$3.5 million to support over 800 independent restaurants and their employees; and
- Passing six priority bills at the Texas Capitol, allowing restaurants to:
  - Permanently sell alcohol to-go,
  - Keep franchise tax deductions on federal relief dollars,
  - Protect themselves in the third-party delivery market,
  - Continue to sell bulk foods and meal boxes,
  - Prevent frivolous pandemic lawsuits, and
  - Avoid unemployment insurance tax hikes.

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During the third called special session, the 87th Texas Legislature passed SB 8 to create and fund the Texas Travel Industry Recovery Grant Program (TTIR) with \$180 million from the American Rescue Plan Act. The TTIR Program was established to provide one-time reimbursement grants of up to \$20,000 for the recovery of Texas businesses in the tourism, travel, and hospitality industries that were negatively impacted due to COVID-19. These one-time grants are to reimburse eligible costs to these qualifying businesses. Appendix A is a one pager with more information on the TTIR Program provided by the Texas Economic Development and Tourism Office, a trustee program within the Office of the Governor.

Now, over two and a half years into the pandemic, consumer demand and travel have greatly improved, and the industry is eager to rebuild. The Texas economy as a whole is doing well thanks to low unemployment, a balanced regulatory environment, and our growing population. Still, the travel, tourism and hospitality industry faces significant hurdles because of the systemic challenges COVID-19 set into motion.

### *Ongoing Challenges: Workforce Shortages & Rising Costs*

Food, labor, and occupancy costs are the largest line items for restaurants—combining to account for roughly 70 cents of every dollar of sales during *normal* times. Each of these cost drivers has skyrocketed for most restaurants over the past year.

According to a recent survey by the Texas Restaurant Association, 67% of Texas restaurant operators say they don't have enough employees to support their existing customer demand. This follows record pay increases, indicating that higher wages alone will not close the gap. On a year-to-date basis through July 2022, the US Bureau of Labor Statistics reports the average hourly earnings of eating and drinking place employees nationwide rose 10.6%, nearly double the increase for all private sector workers. In Texas, restaurant industry wages rose 7.8% just last year, with wages starting at \$15-22 an hour in many markets.

In addition to raising wages and creating new employee benefit programs, restaurants are leveraging technology and other efficiencies to stay afloat. But with the state growing at such a rapid pace, and the number of restaurant jobs expected to grow by 30% between 2020 and 2027, it's clear we need to do more to grow our foodservice workforce.

The Texas Restaurant Association suggested that one possible solution to workforce deficits is investing in programs that train our next generation to enter the industry. ProStart is the leading culinary arts and hospitality management program that's taught in over 200 Texas high schools—reaching over 200,000 students every year. The curriculum is aligned with TEKS and ensures graduates are career and/or higher education ready on day one. The biggest obstacle to ProStart expansion is funding, particularly given the cost of building and operating a commercial kitchen facility.

Another tool that will help expand the workforce in this industry and many others is childcare. The COVID-19 disruptions to our schools and daycares exacerbated an ongoing challenge for many working parents and the industries who rely on them. Childcare is a workforce

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development issue; without safe and affordable childcare options, Texas will not have the workforce we need to continue to grow.

Another major challenge reported by the Texas Restaurant Association is that the industry continues to face rising costs on nearly every item and service they need to operate. According to a recent survey of Texas restaurant operators:

- 86% say their total food and beverages costs are higher than 2019;
- 81% say their total labor costs are higher than 2019;
- 64% say their total occupancy costs are higher than 2019;
- 80% say their total utility costs are higher than 2019; and
- 93% say their other operating costs (supplies, G&A, etc.) are higher than 2019.

Although the increase has at least slowed, the food prices we've seen this year have reached their highest levels in decades.

### *Conclusion*

Many businesses in the travel, tourism and hospitality industry have had to raise their prices because of historic cost increases. However, these businesses risk losing consumers whose discretionary income is already stretched by higher gas prices, housing costs, and grocery prices that have increased even faster than restaurant menu prices. While the Committee does not have any recommendations at this time, we will continue seeking additional avenues to help these industries flourish across the state.

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## **CHARGE III: Texas State Parks**

*Review state efforts to preserve and develop Texas state parks and open spaces to ensure affordable public access to outdoor recreational and educational opportunities.*

A public hearing was held on September 21, 2022, and the following witnesses testified on charge 1:

September, 21, 2022 - Texas State Capitol, Room E2.016, 10 a.m.

1. Cofer, George (Self)
2. Good, Kevin (Texans for State Parks)
3. Hryhorchuk, John (Texas 2036)
4. Metzger, Luke (Self; Environment Texas)
5. Rhodes, Justin (Texas Parks and Wildlife Department)
6. Shepperd, John (Self; Texas Foundation for Conservation)
7. Speyrer, Tim (Self; Texas recreation and parks society)
8. Watson, Brad (Vistra Corp)

The information below is largely based on the oral and written testimony of the individuals and organizations listed above.

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## *Introduction*

Texas Parks and Wildlife (TPWD) stewards 89 state parks, along with more than 200 other locations throughout the state that include fish hatcheries, wildlife management areas, and law enforcement field offices.

Texans' overwhelming support for and use of our state parks continues to grow along with the rising Texas population and the increased demand for access to the outdoors. As the state park system approaches its 100th anniversary in 2023, we must continue to consider the impacts of this increased demand on long-term deferred maintenance needs, capital construction priorities, land acquisition authority, and outdoor education programming.

Passage of Proposition 5 in 2019 has resulted in more predictable and sustainable funding for state and local parks in the 2022-2023 biennium. At the same time, demand for access to state and local parks has surged as more people have become interested in outdoor activities, increasing pressures on available state and local park resources, and highlighting the need for increased investments in these assets.

As the department prepares for the celebration of the state park system's centennial in 2023, it is imperative we continue efforts to expand and modernize parks to meet visitor demands and ensure quality visitor experiences. Likewise, continued investments are needed to provide enhanced local park and recreational opportunities to local communities.

## *Capital Construction and Repair Needs*

Prior to 2019, the absence of sustained funding and budget constraints resulted in a deferred maintenance backlog of projects which led to further asset deterioration and impairment. The passage of Senate Bill 26, Senate Joint Resolution 24, and ultimately Proposition 5 (which had 88% of voters' approval), automatically appropriating Sporting Goods Sales Tax (SGST) revenue to TPWD for state and local parks, has helped to provide a predictable increase in funding to TPWD's capital construction and repair program, and allowed for significant progress at state parks. However, an ongoing investment in all TPWD's facility infrastructure, including fish hatcheries, wildlife management areas, outreach centers, law enforcement offices, and Austin Headquarters complex, is needed to provide safe, functional, and efficient work environments for employees, and to provide quality visitor experiences.

Texas state park assets have been enjoyed by Texans and out-of-state visitors for decades, approaching nearly 10 million visitors annually. Much of our facilities' infrastructure is several decades-old, and feature buildings, cabins, and dams built during the Great Depression by the Civilian Conservation Corps. As the existing infrastructure continues to age, many facilities have outlived their intended design life, are in disrepair, or have outdated utility systems which are susceptible to failure.



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Recent increases in funding for capital construction and major repair, particularly from Sporting Goods Sales Tax revenue, has allowed the department to make notable strides in addressing major repair backlogs and construction needs at state parks facilities statewide. However, the backlog of capital repair and construction needs remains substantial as facilities continue to deteriorate due to age, use, and weather impacts.

The following capital construction projects, in various stages of construction, illustrate the profound impacts realized from additional and reliable SGST funding:

- Palo Duro Canyon State Park – Utilities, Campgrounds, and Headquarter Design
  - Total capital construction funding since 2015 equals \$11.3M. Completed projects valued at \$3.2M include a cabin wastewater line repair (3 CCC cabins on the rim), roof replacement at the main building at Canoncita, and development of the Juniper Camping Loop. Active capital construction projects are valued at \$8.1M and include water line replacements, water and wastewater upgrades for the rim, Canoncita water well replacement (an emergency project), and planning and design for a new headquarters building.
- Galveston Island State Park – Beachside Redevelopment
  - On September 13, 2008, Hurricane Ike made landfall near Galveston, TX as a category 2 hurricane with maximum sustained winds of 110 mph that wreaked havoc on Galveston Island State Park. After some initial repairs, the park limped along and remained partially open until the comprehensive park redevelopment project was fully funded.

The project scope consisted of a new headquarters building, utilities, roads, campsite improvements, restrooms, trails, and native vegetation restoration. Among other facility upgrades.

The redevelopment contract was awarded in October 2020 for roughly \$20M. This project was funded using SGST and grant assistance from outside partnerships. Demonstrating that with reliable SGST funding, State Parks can leverage additional funding to ensure affordable public access to outdoor recreational and educational opportunities.

Construction achieved final completion status in June of this year allowing the park to take reservations and fully open to the public ahead of the busy July 4th weekend. A formal grand opening is being planned for spring 2023.

- Cedar Hill State Park – Day Use Facilities Replacement
  - Replacement of flood-damaged day use facilities, including areas of shoreline, swimming areas, trails, accessible parking, comfort stations and picnic shelters. Construction of a new group recreation hall, replacement of water and wastewater utilities, and associated road repairs. Instead of traditional repair of the facilities, increased funding levels allowed the reconstruction of these facilities at a higher elevation reducing the possibility of future flood damage.

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- Other Notable State Park Capital Projects:
    - New state park Headquarter facilities have been constructed at Mission Tejas State Park and Franklin Mountains State Park to welcome visitors. Tyler State Park is also receiving a new Headquarters building, and is scheduled to be completed in 2023, just in time for the centennial celebration.

Balmorhea State Park also received considerable repairs after the pool was closed in May 2018 after damage to the concrete apron under the diving board was discovered during the pool's annual cleaning. The iconic San Solomon Springs pool reopened to the public in March 2019 in time for swimming season following several months of restoration work. This project would not have been possible without the support of individual and corporate sponsorship.

In addition to these renovations and upgrades at current state park sites, TPWD has committed these additional funds to developing new state parks that will provide the public with greater access to the outdoors.

Examples of projects on the horizon include:

- Palo Pinto Mountains State Park
  - The construction phase for this new state park has begun with a focus on roads and utilities, with the construction of buildings to begin this year. The goal is to open the park during the Texas State Parks 100-year celebration in late 2023.

The planning process took over two years and included multiple rounds of public meetings in Strawn and Fort Worth, which helped guide recreational facility development. The initial plan was strategically designed so that additional facilities could be added in the future.

Facilities include roads and parking, utilities, administrative and recreation buildings (Headquarters, Maintenance, Restrooms, Pavilion), a fishing pier and boat ramp, a playscape, 60 campsites (25 Multi-Use, 10 Equestrian, 12 Walk-In, 12 Backcountry). 20 miles of trails are proposed for phase one, with up to 40 miles in future phases and include hike/bike, ADA and equestrian trails.

- Devils River State Natural Area - Dan A Hughes Unit
  - A General Management Plan (GMP) for Devils River SNA was developed through collaboration with TPWD and The Nature Conservancy. The GMP provides direction for managing public access and recreational use, the management of natural and cultural resources, facility development, and the general protection and conservation of the areas for both the Del Norte and Dan Hughes Units.

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Planning and design have been completed to develop a new visitor check-in building, Devil's Back campground and day-use area, and Pafford's Crossing day-use area. Construction of these facilities is expected to begin in December and will last 12 months. A strategic portion of the total roads proposed in GMP is currently under construction to provide access to these facilities. Additional facilities outlined in the GMP will be developed in a future phase but do not have an anticipated construction date.

- Albert and Bessie Kronkosky State Natural Area:
  - The proposed plan is in the early stages of design with the Infrastructure Division, which will finalize a Design Criteria Manual (DCM) in October, guiding the A/E firm through the Design/Build process. Construction is planned to start by the end of 2023, with the goal of having the park open in 2026.

Public Use Planning began in 2014 and went through several iterations based on feedback from State Park specialists (Resource Coordinators, Management, Leadership, etc.) and public meetings held in Boerne and Kerrville.

Per the SNA classification, facility development will be minimal and is generally restricted to 1 area for day use and 1 area for overnight. Key public facilities will include a Headquarters, Nature Center (separate facility from HQ), tent campsites (20), mini cabins (10), and backcountry campsites (24). ABK will be a hiking destination, and the proposed plans include 20 miles of hike/bike trails and 5 miles of ADA trails.

In another effort to provide affordable public access to outdoor recreational opportunities, TPWD has been charged by the Texas Legislature in the 2022-2023 General Appropriations Act, Rider 40, to conduct a regional trails study to determine the potential for historic, scenic, and/or recreational trails to be created in Texas and to identify potential partners to promote local and regional preservation efforts related to the trails studied.

TPWD has since executed a contract in February 2022 with the planning and design firm Halff and Associates. A project initiation meeting was conducted, and project implementation is underway. Halff has since been conducting background research and developing the statewide trails plan strategy. They provided a preliminary draft of their progress to TPWD at the end of June 2022 and have scheduled additional meetings with TPWD colleagues and representatives from TxDOT and THC. Halff will have the document completed before December 1, 2022.

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In addition to the regional trails study, TPWD was tasked through the 2022-2023 General Appropriations Act, Rider 41, to allocate \$1M in SGST during each year of the 2022/2023 biennium to the Recreational Trails Grant Program. This program is typically funded through the National Recreational Trails Fund under the approval of the Federal Highway Administration (FHWA). This federally funded program receives its funding from a portion of federal gas taxes paid on fuel used in non-highway recreational vehicles. These additional state funds will further expand grant opportunities to communities to complete both motorized and non-motorized recreational trail projects. Such as:

- The Texas 4-H Youth Development Foundation in Brown County received a \$188,000 grant for the Texas 4-H Center Trail System project. The project includes construction of 2.5-miles of an accessible natural surface multi-use crushed aggregate trail and renovation of existing trails with signage, benches, and a restroom.
- In Cameron County, the Cameron County Parks and Recreation Department received a \$200,000 grant for the Olmito Park Nature Trail Phase 1 project. The project includes construction of a .5-mile granite trail with benches, a trailhead and signage. The Sam Houston Trails Coalition, Inc. in Montgomery County received a \$600,000 grant for the 2022 Sam Houston National Forest Multi-Use Trail project. This project includes renovation of 20 miles of multi-use trail with repair/replacement of bridges, signage, and the renovation of trailheads.

These projects were approved during the May 2022 TPWD Commission meeting.

### *Land Conservation/Acquisition*

Beyond the issue of deferred maintenance and capital construction, the demand for parks and public lands has been steadily increasing for the past decade as the population continues to increase, and more people are moving into urban areas. This was made evident during the COVID-19 pandemic as the public was looking for activities to enjoy the outdoors, and public parkland was an ideal outlet for families and friends to gather.

During FY2022, Texas State Parks experienced an increase of 12% in total visitation from pre-pandemic levels in FY2019. In FY2022, a total of 9.6 million visitors enjoyed our state parks in Texas. At the same time, a growing number of plants and animals of “greatest conservation need” underscore the dual purpose of department lands to also provide refuges for wildlife, especially species that are otherwise in decline.

The appropriation of state funds and capital budget authority for land acquisition from the Sporting Goods Sales Tax during the 2022-23 biennium has significantly improved the department’s ability to respond to narrow “windows of opportunity” to acquire inholdings and strategic tracts adjacent to state parks. This state funding has enabled the department to be more proactive about identifying land acquisition priorities and identifying willing sellers. Here are the current land acquisition dollars budgeted and requested for the 2022/2023 biennium:

Original 2022/2023 GAA Amount:	\$7 Million (\$3.5 million per year)
November 2021 Certification Revenue Estimate (Approved):	\$5.89 Million (FY22)
	\$5 Million (FY23)
<b>Total Approved</b>	<b>\$17.89 Million</b>
July 2022 Certification Revenue Estimate (Pending):	\$4 Million (FY23)
<b>Total Pending Request for FY22/23</b>	<b>\$21.89 Million</b>

Examples of properties recently acquired include:

- Somervell County – Approximately 106 Acres at Dinosaur Valley State Park
  - This tract is located adjacent to the SP and prevented contiguous access to the park’s 88-acre Kerr Unit. Acquisition of this property allows future public-use planning for the Kerr Unit and provides recreational opportunities along the banks of the Paluxy River.
  
- Gillespie County - Approximately 41 Acres at Enchanted Rock State Natural Area (SNA)
  - This tract sits adjacent to the south boundary of Enchanted Rock SNA which will provide greater recreational opportunities at one of our State’s most visited sites.
  
- Bexar County – Approximately 126 Acres at Government Canyon SNA
  - The SNA consists of approximately 12,000 acres situated along the edge of the Balcones Escarpment on the northwest side of San Antonio. The SNA is a karst preserve that contributes to the quality and supply of fresh water by protecting thousands of acres of the Edwards Aquifer’s recharge zone. It is also the home to several endangered invertebrates found nowhere else in the world.
  
- Bastrop County – In-Holdings and Adjacent Properties at Bastrop State Park
  - Several properties have been acquired from willing sellers in and around Bastrop State Park. These lands create buffer zones that not only preserve the recreational experience for visitors but creates a defensible space between the wildland urban interface.

These are just a few examples of how SGST, when available and appropriated, can be utilized to add mission-critical acreage to state park properties. TPWD staff actively leverage these funds with federal grants and public-private partnerships, maximizing the effectiveness of each state dollar made to support critical conservation and recreation initiatives.

One program in particular, the Local Park Grants program, utilizes SGST, as well as federal Land and Water Conservation funding through the National Park Service, to assist local units of government with the acquisition and/or development of public recreation areas and facilities throughout the state. This program provides 50% matching grants on a reimbursement basis to eligible applicants. Once funded, all grant assisted sites must be dedicated as parkland in perpetuity, properly maintained, and open to the public.

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Examples of Local Park projects that are benefiting communities include:

- City of Clarendon (2018), Levelland (2018), Littlefield (2020), and Quitaque (2020)
  - The Local Park Grant program has supported a wide range of recreational facilities in the Texas panhandle. From community swimming pools and aquatic centers in Clarendon and Littlefield, to playground equipment in Levelland (Sherman Park) and Quitaque (City Park).
  
- Nichols Green Park in the City of Jacksonville (1996-2015)
  - The development of this park is a perfect example of how relationships between local governments and TPWD turn into lasting partnerships. TPWD funded Nichols Green Park four times over 20 years with a total grant value of \$1.9M. This has become Jacksonville's flagship park that boasts lush meadows, jogging trails, a disk golf course, splash pad, skate park, playground, tennis & basketball courts, pavilions, a pond and much more.

TPWD funded the City of Jacksonville again in March 2022 for \$131,000 for Buckner Park. The city will construct playground equipment that includes accessible routes, safe landing zone surfaces and an adaptive swing for children with special needs. Additionally, shade structures will be installed to protect equipment surfaces and visitors from excessive heat while they utilize the playground during the warm, sunny seasons.

The appropriation of state funds for land acquisition will significantly improve the Texas Parks and Wildlife Department's ability to preserve and develop Texas state parks and open spaces. The demand for outdoor public space has grown exponentially along with population of Texas. Capital budget authority for land acquisition from willing sellers will allow TPWD to be more proactive when it comes to securing strategic tracts of inholdings and adjacent properties to state parks, as well as negotiating the permanent acquisition of park properties currently being managed under long term lease agreements with non-governmental entities. Examples include acquiring properties such as Lake Colorado City State Park and Fairfield Lake State Park. Should those leases expire, and the non-governmental entity decides to divest their interest in the property, those state parks would be subject to competition on the open market, which could further diminish the state's capacity to provide affordable public access to outdoor recreational and educational opportunities for future generations.

### *Texas State Parks Centennial*

Texas Parks and Wildlife Department (TPWD), in partnership with Texas Parks and Wildlife Foundation (TPWF) celebrates 100 years of Texas State Parks beginning in January 2023. This yearlong event will explore Texas State Parks' natural history and take an energizing look forward to the future of conservation and outdoor recreation.

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The Centennial Celebration was announced at a press event on Oct. 11, 2022, at the future site of Palo Pinto Mountains State Park, but will officially kick off on January 1, 2023, with “First Day Hikes,” which are both self-guided and guided nature walks in every state park. The celebration will continue with special events at 89 state parks throughout the year, inviting Texans to visit and experience the natural beauty and cultural treasures of state parks with their families and friends.

TPWD is also increasing investments in outdoor education programming during the Centennial through the Community Outdoor Outreach Program (CO-OP). Which provides funding to tax-exempt organizations for programming that engages under-served populations in TPWD mission- oriented outdoor recreation, conservation, and environmental education activities. Texas youth learn to hunt, fish, camp, and paddle, and begin a lifelong journey on a path to conservation stewardship.

In FY2022, the CO-OP grant program funded 41 projects valued at more than \$2M, the most it has given in a single grant round since its inception over 25 years ago. For the Centennial, TPWD is planning to invest even more dollars in support of this effort.

Examples of funded CO-OP projects include:

- Nature and Eclectic Outdoors (2020)
  - Nature and Eclectic Outdoors received CO-OP grant funding in 2020, partnering with low-income Houston ISD schools to coordinate field trips to State Parks, lead outdoor recreation activities at schools and create monarch waystations service projects serving over 750 students. Examples include free field trips to Brazos Bend State Park for hiking and wildlife identification and Outdoor Skills Family Nights hosted at local schools to teach camping and archery skills.

#### *Employee Recruitment*

In FY2022, the State Parks Division had an employee headcount of 1,581 employees. As of September 26<sup>th</sup>, 2022, the turnover rate for State Parks was 20% (316 separations) and vacancy rate was 22% (346 vacant positions). The division’s goal is to have a competitive total rewards strategy that includes employee programs, business practices and other dimensions that collectively comprise the department’s strategic efforts to attract, motivate and retain quality employees. An effective compensation package that includes competitive salaries is a key aspect of this plan.

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One key compensation issue involves State Park Police Officers (SPPOs) who provide law enforcement and public safety services not only to state parks, but in local communities and along the border as well. While SPPOs serve as commissioned peace officers and train side-by-side with game wardens, they are currently classified under Salary Schedule B making between 4.4% to 23.9% less salary than game warden counterparts in Salary Schedule C. Lower police officer salaries and salary inequities with other state law enforcement officers directly impacts the ability to recruit and retain a diverse team of qualified officers. The current duties of a SPPO no longer align with Salary Schedule B and consideration should be given to moving SPPOs to Salary Schedule C along with other commissioned law enforcement officers within TPWD and in the state of Texas.

### *Conclusion*

In closing, the Committee understands the need for public land and outdoor recreation opportunities in Texas is great. The demand for parks and open spaces continues to grow as the population in Texas increases, and more people are moving into urban areas. TPWD is working diligently towards addressing the agency's long-term deferred maintenance needs, capital construction priorities, land acquisition authority, and outdoor education programming opportunities.



# Appendix A

## TEXAS TRAVEL INDUSTRY RECOVERY GRANT PROGRAM



Texas Economic Development & Tourism | Office of Governor Greg Abbott

### Texas Travel Industry RECOVERY PROGRAM

The Texas Travel Industry Recovery Grant Program (TTIR) was established by Senate Bill 8 and signed into law by the Governor following the 87th Legislature (Third Called Session) to administer \$180 million received from the Coronavirus State Fiscal Recovery Fund under the American Rescue Plan Act of 2021.

#### Type of Incentive

The TTIR Program was established to provide one-time reimbursement grants of up to \$20,000 for the recovery of Texas businesses in the tourism, travel, and hospitality industries that were negatively impacted due to COVID-19. These one-time grants are to reimburse eligible costs to these qualifying businesses.

#### Who Can Apply?

Applicants in the travel, tourism, and hospitality industries (as determined by eligible NAICS code) who were negatively impacted by COVID-19 are able to apply. Basic qualifying criteria for a prospective applicant includes, but is not limited to, the following:

- In operation prior to January 20, 2020
- Operate in the State of Texas
- Privately-owned for profit business or non-profit organization
- Open to the public or provide services for in-person events
- Business or organization in the eligible NAICS codes listed for the travel, tourism and hospitality industries (NAICS codes 71, 722, 7211, 7212, 5615, 561920, 312120, 312130, 312140)
- Suffered negative economic impact due to COVID-19
- Otherwise eligible to receive this grant funding and not barred from competing for federal awards, including the guidelines on government-wide suspension and debarment in 2 CFR part 180 or for any other reason.

#### Eligibility Details

For full eligibility details and eligible costs for reimbursement, please refer to the [FAQs page](#).

#### Application

Due to the size of the industry and the high number of potential applicants, applications will be accepted in phases by industry sector identified by NAICS code.

Category	Application Window	NAICS Code	Industry
1	July 6 – August 7	312120 312130 312140 5615 561920 7212	Breweries; Microbreweries Wineries Distilleries Travel Arrangement & Reservation Services; Convention & Visitors Bureaus Convention & Trade Show Organizers, Event & Meeting Planning Services RV Parks & Recreational Camps; Campgrounds
2	September 1 – September 22	71	Arts, Entertainment and Recreation
3	October 1 – October 22	7211	Traveler Accommodation: Hotels & Motels, Bed & Breakfast
4	November 1 – November 22	722	Food Services & Drinking Places
5	If funds remain after the first four phases, a fifth phase will revisit any unfunded applications to award the remaining funds.		

Applications will be reviewed by staff for completeness and eligibility. Before applying, applicants should review the required documents listed on the online portal.

#### How to Apply

To apply for the TTIR Program and for an application instruction video, visit [ttr.gov.texas.gov](http://ttr.gov.texas.gov). For questions, contact the TTIR Program staff at [tourismrecoverygrant@gov.texas.gov](mailto:tourismrecoverygrant@gov.texas.gov).

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