

Economic Impacts on Local Economies by Visitors to California State Parks from 1999-2002: An Update of the 1995 Analysis

Marketing Division, California Department of Parks and Recreation
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Executive Summary

	FY 1999-2000 Pre-Fee Reduction	FY 2001-2002 Post Fee-Reduction	Difference: Pre- and Post- Fee Reduction
Total Attendance	71,034,309	93,000,000	21,965,691
Total Visitor Spending	\$2,034,910,963	\$2,838,093,897	\$803,182,934
Total Output/ New Sales	\$5,216,539,620	\$7,275,610,804	\$2,059,071,183
Total Employment Support	78,831	109,944	31,113

In July 2000, the California Department of Parks and Recreation began implementing an across the board fee cut. The fee reduction, up to 50% for all parks and campgrounds, was fully implemented by January 2001. Between FY 1999-2000, the last year of full-priced fees, and FY 2001-2002, the first full year of half-priced fees, attendance is expected to increase over 30%, or by about 22 million, to a total of 93 million visitors.

The economic impact to local communities following the increase in visitation was calculated based on a study of visitor expenditures completed by the Department in 1995. Visitor expenditures reported in the 1995 study were adjusted for inflation and applied to the total park attendance before and after the full implementation of the fee reduction. The projections for FY 2001-2002 are based on year-to-date versus previous three-year-average comparisons.

To estimate the total economic impact generated by the spending and re-spending of visitor dollars in the community, an average economic multiplier, 2.56, was applied to the per-person, per-day expenditure estimates. Similarly, an employment multiplier was applied to total visitor expenditures to determine the total employment that could be supported through visitor expenditures in the local community.

Total visitor spending is estimated to increase by \$803,182,934 to a total of \$2,838,093,897 by June 2002. Total new sales in local communities resulting from visitor expenditures are expected to reach \$7,275,610,804 by the end of the fiscal year 2001-2002. The total employment that can be supported by visitor expenditures is estimated to be 109,944, an increase of 31,113 jobs.