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BEFORE THE SUBCOMMITEE ON PUBLIC LANDS AND ENVIRONMENTAL REGULATIONS COMMITTEE ON NATURAL RESOURCES U.S. HOUSE OF REPRESENTATIVES

REGARDING THE IMPLEMENTATION OF FEE AUTHORITY ON FEDERAL LANDS JUNE 18, 2013

Chairman Bishop and members of the subcommittee, thank you for the opportunity to discuss the Federal Lands Recreation Enhancement Act (FLREA). I am Leslie Weldon, Deputy Chief of the National Forest System, speaking today on behalf of the U.S. Department of Agriculture.

The authorities in FLREA are valuable tools that allow us to improve recreation facilities and provide quality visitor experiences across National Forest System lands. The Forest Service and the Department of Interior agencies are able to invest in upkeep and improvements at sites that visitors use and enjoy. Through our collective mission with the U.S. Department of the Interior, we provide the American public and visitors from around the world with outstanding recreation opportunities on federal lands. Since the enactment of FLREA in December 2004, we have made tremendous progress in accomplishing our mission. While we acknowledge some challenges associated with implementing FLREA, we continue to address these concerns in implementing the law as it was intended.

Before speaking specifically about FLREA, it is important to establish the context of the recreation program within the Forest Service. The National Forests and Grasslands provide the greatest diversity of outdoor recreation opportunities in the world, connecting people with nature in an unmatched variety of settings and activities. Each year approximately 166 million visitors hike, bike, ride horses, and drive off-highway vehicles on these lands. They picnic, camp, hunt, fish, enjoy recreational shooting, and navigate waterways. They view wildlife and scenery, and explore historic places. They glide though powder at world class alpine ski resorts and challenge themselves on primitive cross-country ski or snowmobile routes. These opportunities contribute about \$13.6 billion to the nation's gross domestic product each year and support approximately 205,000 jobs. Many of these jobs are located in rural communities.

Outdoor recreation in the National Forests and Grasslands contributes greatly to the physical, mental, and spiritual health of individuals and bonds family and friends. Outdoor recreation instills pride in our heritage and provides economic benefits to communities, regions, and the nation. Indeed, outdoor recreation has become an essential part of American culture. Through these activities outdoor recreation provides physical challenge, requires development of life-long skills, provokes interest and inquiry, and inspires wonder, respect and awe of the natural world.

In the same way, participation in recreational activities is the way that most Americans come to know their National Forests and Grasslands, making it an important portal for understanding the meaning, history, and relevance of federal lands as a whole.

National Forests and Grasslands are the natural backyards for many communities throughout 44 states and territories.

National Forests and Grasslands constitute 30 percent of all federally owned lands. In the Southern Region of the Forest Service, where only 5 percent of land is federally managed, National Forest System lands provide nearly half of the outdoor recreational opportunities on federal-owned lands. Not only does the Forest Service provide one of the most accessible outdoor recreation opportunities from a geographic standpoint, but the agency has developed extensive accessible facilities and opportunities as required under the Americans with Disabilities Act. At 54 million, people with disabilities are the largest minority in the U.S., a demographic that cut across all ages, races, and genders. Accessibility has been and continues to be an integrated part of the way the Forest Service manages recreation opportunities in order to continue to serve people.

The Forest Service offers unique ways to experience National Forest System lands through historic cabins and lookout rentals under FLREA.

Many people seek relief from the stress of their daily lives through the unique experience of renting a Forest Service cabin. These recreation rentals once served as ranger homes, guard stations, or fire lookouts. Located in idyllic settings, each rental has its own distinct character. There are hundreds of rentals available across the nation: remote Alaskan fly-in cabins, Arizona's "Rooms With a View," hike-in only mountain top lookouts, and many more. They can all be found and rented on <u>www.recreation.gov</u>. These retrofitted historic facilities have allowed for neighboring rural communities to package their heritage assets with these sites to generate heritage tourism opportunities.

Revenue from renting these cabins is invested in maintenance and emergency repairs of the buildings. Some buildings require comprehensive restoration, and recreation fee revenues are often leveraged with grants, volunteers, and job training programs to accomplish this work.

The Forest Service manages 158, 000 miles of trails across the nation.

These trails require significant upkeep year after year. Natural erosion, fire, wind damage, and user damage require significant yearly investment. Deterioration of facilities like bridges, steps, and signs are safety concerns that must be addressed to ensure these unique resources remain available to the public.

Recreation fee revenue is collected for use of developed recreation sites at trailheads that meet the requirements in FLREA for charging a recreation fee. These revenues help fund trailhead facilities and repair, maintenance, and enhancement of closely associated trails enjoyed by visitors. These funds in no way cover these costs, but they can make a significant difference. For example in 2012, the Uinta-Wasatch Cache National Forests were able to use \$17,500 in recreation fee revenue to leverage a \$20,000 grant from the State of Utah to repair almost 70 miles of the Fehr and Lake Country trails. Work included clearing trees that blocked the trails, cutting back shrubs and other encroaching greenery, creating 24 rock steps to help prevent erosion, and building over 600 feet of boardwalk over soggy riparian areas.

Outfitters and guides are one of the many partnerships authorized under FLREA

Outfitters and guides are key partners in delivering diverse, quality outdoor recreation experiences to National Forest visitors. FLREA authorizes the Forest Service to retain permit fees that authorize approximately 5,000 outfitters and guides across the nation to maintain small businesses through operation on National Forest System lands. These funds are used for management activities that benefit both outfitters and guides and National Forest visitors, such as repairing trails, boat launches and other facilities, supporting environmental analysis associated with outfitter and guide use, monitoring outfitter and guide camps to ensure they are properly built, monitoring for illegal outfitters and guides, and administering permits.

As an example, Sixmile Creek in Alaska is popular for sport-fishing, rafting, and kayaking. However, over the years, conflicts and safety concerns arose among anglers, outfitters and guides, and dispersed campers from limited parking at a day use site. Outfitters and guides need enough space to fit vehicles and trailers and room to haul rafts out of the creek. The space was inadequate, and heavy use of the foot trail to the river was causing resource damage.

To address these concerns, the Seward Ranger District held two meetings with three rafting companies authorized to operate on Sixmile Creek to discuss long-term maintenance of the site and the initial conceptual layout for redesign of the site. The site was redesigned collaboratively by the Forest Service and the three authorized outfitters and guides, with public input. The redesign includes a developed raft launching zone, a raft loading and unloading area, an improved traffic pattern, a picnic area, day use parking spaces, and an improved trail to the creek. The improvements were completed in the spring of 2012. Recreation fee revenues from outfitters and guides contributed to this project. In addition, outfitters and guides now partner with the Forest Service to provide long-term maintenance of the site.

We constantly strive to enhance the experience of visitors to National Forest System lands by maintaining high-quality recreation facilities and programs. To achieve this, we rely on five principal sources of support: (1) appropriated funding, (2) recreation fees authorized under FLREA, (3) private service providers such as concessioners and outfitters and guides, (4) partnerships, and (5) volunteers.

FLREA gives agencies the authority to retain and reinvest funds received at recreation sites or areas that meet the criteria for charging recreation fees enumerated in the law, as well as the authority to retain and reinvest special use permit fees for outfitters and guides, which helps promote small business.

Recreation opportunities on National Forest System lands range from highly developed sites to undeveloped areas that are available to the public free of charge. Approximately 98 percent of National Forest System lands have dispersed recreation opportunities that range from camping, hiking, fishing, hunting, and much more. There are more than 20,800 recreation sites on National Forest System lands, 68 percent of which are not subject to a recreation fee. Of the 20,800 sites, approximately 4,000 are subject to fees charged under FLREA, and 2,300, such as concession campgrounds, are subject to fees charged under another authority. Most of these 6,300 fee sites are

campgrounds and cabin rentals, but they also include developed boat launches, picnic sites, off-road vehicle staging areas, swimming areas, developed recreation sites at trailheads, target ranges, and other developed recreation sites and areas.

Fee retention provides an immediate, stable, and flexible source of funding that has been and continues to be a fundamental component of a sustainable funding model. In addition, FLREA revenues leverage other sources of funding, including funds from grants and work performed by volunteers. Funding collected through FLREA, which can be retained and expended at the developed recreation sites where it is collected, is vastly different from funding received through appropriations. Besides being predictable and subject to obligation for future years, funding collected through FLREA is available for any operation, maintenance, and improvement costs at fee sites. Funding received from visitor fees is thus an investment in the developed recreation sites they use. The vast majority of this funding, 80 to 95 percent, is reinvested directly into recreation fee sites.

Most recreation fees collected are used to provide recreation services and amenities to the public, such as repair and replacement of deteriorated facilities like campsites, restrooms, picnic tables, and trails. In addition, recreation fee revenue has been used to improve visitor centers, water and sewer systems, corrals, cabins, remote camps used by outfitters and guides, boat launches, and swimming areas. In addition, recreation fee revenue funds removal of huge volumes of trash and graffiti, non-native and invasive plants, and hazard trees and installation of recycling, solar, and other sustainable facilities.

Under FLREA, the Forest Service collects approximately \$66 million in recreation fee revenues. This total includes approximately \$42 million for use of developed recreation sites such as campgrounds, cabins, visitor centers, and picnic areas; \$12 million in fees for reservation services provided through recreation.gov; \$10 million from recreation special use authorizations, primarily for outfitting and guiding and recreation event permits; and \$2 million from the sale of America the Beautiful-the National Parks and Federal Recreational Lands Pass. Because FLREA repealed the recreation fee provisions in the Land and Water Conservation Fund Act and Recreational Fee Demonstration Program statute, FLREA is the sole recreation fee authority for the Forest Service. If FLREA expires in December 2014 without reauthorization, the Forest Service and Interior agencies will have no explicit recreation fee authority. These agencies will face serious ramifications as early as this calendar year. The interagency pass program and recreation.gov both operate approximately a year in advance. Operations include pass ordering and the annual photograph contest. The Forest Service and the Department of the Interior agencies will have to address the issuance of annual passes beginning on December 8, 2013, as they will not be valid for a full year. Recreation.gov, which is funded in part through reservation fees authorized by FLREA, will also be impacted if REA once FLREA sunsets.

The annual cost of operating and maintaining existing developed recreational facilities within National Forests and Grasslands exceeds \$183 million. Likewise, the annual cost of operating and maintaining National Forest System trails exceeds \$88 million in direct costs. The loss of FLREA would also represent a significant loss of revenue to maintain and improve recreational facilities and services. Even if appropriations are prioritized for expenditure on developed recreation sites, the Forest Service anticipates that these sites would deteriorate and that some

sites would have to be closed due to an inability to meet health and safety standards, for example, due to lack of repairs to water and sewer systems.

Moreover, National Forest recreation services and amenities are important to local communities for quality of life, economic growth, and job creation. Any disruption of the level of funding for developed recreation sites could impact local jobs and purchases at local businesses. Recreation fee revenue is leveraged in partnership with communities, recreation groups, non-profit organizations, and others, often doubling or tripling the value of the dollar collected. Recreation fee revenue is often used to support seasonal employment, youth-oriented work, and volunteer opportunities. Sites maintained for recreation use are also often used to support environmental education for local classrooms. These benefits would all be impacted if FLREA is not reauthorized.

In the most recent round of National Visitor Use Monitoring, 83 percent of the respondents reported being "very satisfied" or "satisfied" with the value they received for the fees they paid. Visitors consistently comment that they are willing to pay reasonable recreation fees if they know the money will be used to improve the sites they are visiting. Because the funds are retained and spent for services, maintenance, and improvement of the sites where they were collected, visitors can see how their fees contribute to a quality recreation experience.

Fee retention has proven vital to providing the many unique outdoor recreation opportunities on National Forest System lands.

Other important aspects of FLREA

FLREA requires various forms of public participation in the establishment or modification of recreation fees and fee sites. For the Forest Service and Bureau of Land Management, public participation includes Recreation Resource Advisory Committee (Recreation RAC) review of fee proposals to establish, change, or eliminate recreation fees and fee sites and advance notice in the *Federal Register* of establishment of a new recreation fee area. Since 2005, the Forest Service has submitted approximately 1,250 recreation fee proposals to Recreation RACs. The vast majority of these proposals were for fee increases at campgrounds operated by the Forest Service, but they also included new or increased fees at cabin rentals and day use sites and elimination of fees at some sites. After deliberation, Recreation RACs recommended proceeding with all but approximately 30 of the 1,250 proposals. The Forest Service will continue to work with Recreation RACs on recreation fee proposals. The Recreation RACs have provided opportunities for public input on recreation fee proposals, but have also posed challenges in scheduling review of proposals due to member resignations and expired appointments.

In sum, the ten-year FLREA authority has provided a highly effective period of stability and consistency for both visitors and federal land managers. FLREA authorizes federal agencies to charge, retain, and spend fees for a range of recreation sites that meet certain requirements. FLREA provides agencies the authority to develop cooperative agreements with various entities for activities such as law enforcement and implementation of the interagency pass program.

Lessons Learned

The Forest Service appreciates having the authority to charge and retain recreation fees for expenditure at the sites where they are collected. From 2005 through 2012, the Forest Service

has collected more than \$480 million in recreation fee revenue and has spent more than \$450 million on improving recreation facilities and services at the sites where fees are collected. The remaining funds are obligated for future projects.

Recreation fee revenue is a key component, along with appropriated funds and contributions from volunteers, partners, and grants, of sustainable funding for developed recreation sites. However, we recognize that visitor contributions are not equivalent to appropriated funds. Visitors and outfitters and guides who pay recreation fees must see a direct benefit from their investment. There have been some concerns about how the Forest Service has implemented recreation fees under FLREA, and we have made great strides to address those concerns.

For example, the Forest Service now requires all administrative units to generate yearly reports on recreation fee revenues and expenditures. In response to concerns regarding standard amenity recreation fees charged for areas with multiple developed recreation sites, in 2011, the Forest Service reviewed all 97 of these areas and developed proposals to eliminate 75 percent of these areas and reduce the size of most of the remaining 25percent. As a result, many recreation sites would be eliminated from the recreation fee program. Also as of 2011, the Forest Service is reviewing all recreation fee proposals at the national level.

In addition, in 2011, the Forest Service began implementing a point-of-sale system to enhance customer service and accounting of recreation fee revenue. The system is being implemented in phases, starting with sites that manage the highest volume of recreation fee revenue. This system modernizes and streamlines the financial process. Whether funds are collected in fee tubes or over the counter, the agency will be able to account for the funds in the financial system in as little as two to four days for credit card and check transactions and within one to two weeks for cash transactions. The financial system allows for real-time reporting, so that recreation fee revenue can be made available quickly for expenditure on operation, maintenance, and improvement of recreational facilities.

Conclusion

FLREA is scheduled to sunset in December 2014. Continuation of FLREA is critical to the Forest Service's and other federal land management agencies' recreation programs. FLREA has enabled the Forest Service to provide consistently excellent recreation experiences at recreation sites across the United States. FLREA has strengthened the connection between visitors and the lands they cherish by requiring that the fees they pay benefit the sites where the fees were collected. Thousands of projects, large and small, have been supported by FLREA fees since 2004.

FLREA facilitates efficiency, consistency, and good customer service by enabling interagency cooperation and public participation. The agencies strive to manage visitor contributions effectively, efficiently, and in an open and collaborative manner. The administrative and policy changes that the Forest Service has introduced since 2004 demonstrate its commitment to improve the recreation fee program, both in terms of customer service and good governance. The agencies plan projects funded by recreation fees years in advance. Administration of the recreation fee program requires significant up-front investment to implement customer service enhancements and to ensure that the interagency pass is designed, produced, and shipped on schedule. The agencies work for years to develop mutually beneficial relationships with public

and private sector partners at the local and national levels. Reauthorization of FLREA before it expires on December 8, 2014, would allow the program to continue in a cost-effective manner and without disruption of visitor services.

Thank you for this opportunity to discuss the Forest Service's implementation of FLREA and its critical importance to recreation opportunities on federal lands. I would be happy to answer any questions you have.