

Testimony of:
Brian I. Merrill
CEO, Western River Expeditions, Salt Lake City, Utah
Legislative Hearing on H.R. ____ (Bishop),
to Amend the Federal Lands Recreation Enhancement Act
Subcommittee on Public Lands and Environmental Regulation
House Committee on Natural Resources
United States House of Representatives
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Mr. Chairman and members of the Committee, thank you for the opportunity to testify on issues that are important to my company and to the future of outfitted guide services all across the country.

The Federal Lands Recreation Enhancement Act (FLREA) is the authority under which my company holds Special Recreation Permits issued by the Bureau of Land Management. These permits allow us to lead guided rafting trips on the Green and Colorado Rivers in Utah as well as guided off-road and hiking tours. The Act also defines fees that the BLM charges pursuant to our permits and to each individual user of the resource, whether they travel on their own or with a professional guide.

When I was invited to testify at this hearing, I fully intended to advocate for the reauthorization of FLREA. Obviously, the ability of the BLM to issue our permits is critical to our business. Without the permits, we have no business. At the same time, the ability to collect fees is important so the BLM can build and maintain facilities related to what we do.

As I read through the legislation, however, I am concerned about certain provisions that could prove financially devastating to a business like mine. If those concerns are resolved, I will again be fully supportive of the Act's reauthorization.

Let me start with the positives:

In general, the ability of the agencies to charge fees for the use of the resources they manage is a good thing. There are certain facilities and amenities that are logically paid for by fees collected from users. I'll show photos of some examples.

The provision in Section 811 that allows 80% of fees collected at a specific site to stay with that unit or area is critical. I believe that 100% of the fees should stay local.

The increased level of reporting outlined in Section 813 is welcomed. This will go a long way to making sure the program gets administered effectively and will give the public the tools it needs to comment intelligently when public input is solicited

The public participation process included in Section 808 is a positive feature. This combined with the reporting provisions will create the accountability and transparency that the program needs.

The “Stewardship Credits” pilot program explained in Section 807(d) will be welcomed by outfitters. Many outfitters are eager to help out by clearing trails and performing other acts of service that benefit the resource. They also possess the required skills and training necessary to perform such work. However, this work is done at their personal expense and in some cases they are not even allowed to do it. This provision creates a partnership between the outfitters and the managing agency that will greatly benefit the resource. It also provides the incentive needed for the outfitter to perform the work.

My concerns with the draft legislation are as follows:

Sections 804 and 805 provide an exemption from fees for certain educational groups. I fear that the burden of administering a program that serves a large number of visitors will be borne by relatively few of the users, namely the professionally guided public. We are the easy target, and the assumption is often that the commercially guided guests and the companies that provide guided services can afford it. That is not true.

The fact is that a user is a user when it comes to resource impacts. A person participating on an educational trip does not step or float or camp more delicately than a person on a guided trip. While there are compelling reasons to create some fee exemptions such as those granted to NPS attractions here on the Capitol Mall, the mere fact that a trip has an “educational” purpose does not make its participants more worthy of consideration than anyone else. It is also true that there may be some individuals or groups for whom fees create a financial barrier. Any language accommodating these users would need to be narrowly crafted to not include all educational or non-profit groups because an exemption for most groups is not warranted.

I am also concerned about the “cost recovery” language contained in this bill. Up until now, cost recovery has been limited to a narrow range of activities such as the building and maintaining of facilities. The draft bill proposes expanding the activities to such things as natural and cultural resource monitoring, and restoration. These are activities that, if fully funded by the collection of user fees would price every single user out of the resource.

Natural and cultural resource monitoring is a bottomless pit of need. For example, in Utah we are in the middle of a discussion regarding the potential listing, as an endangered species, of the Western Sage Grouse. Potentially, the cost recovery for monitoring something like this could be funded through fees. The outfitted public cannot be expected to pay the bill for an endless list of endangered species monitoring.

FLREA allows fees to be used for trail maintenance, but the backlog of trails that need to be maintained in the National Forests alone is so immense that much more creative methods of accomplishing the work and funding the work are needed. For example, a portion of the

money collected through the Land and Water Conservation Fund could be used for trails. Another idea would be to utilize fire crews during those times when they are not needed to fight fires. These other sources of trail maintenance revenue and labor combined with the “stewardship credits” mentioned previously would reduce the pressure to increase fees through FLREA for the funding of trail maintenance.

Western River Expeditions pays permit fees equal to 3% of its gross receipts. We also collect and remit a per-head, “special area fee” on those trips where there is one clear access point. For example, we collect and remit \$10 per person for a single day trip that we operate through Westwater Canyon on the Colorado River. We also collect and remit a \$25 per person, special area fee for a multi-day trip we operate through Desolation Canyon on the Green River.

Our experience has been that our local resource areas do a good job of collecting and properly using these fees. However, if the door is opened allowing the use of fees for a much broader list of activities, the temptation will be to continue ratcheting the fees up to pay for things that are not logically connected to the use and enjoyment of the specific resource.

In Desolation Canyon, which is administered by the Price, Utah Resource Area of the BLM, the river program relies on fee money from outfitters and private boaters to provide the opportunity for a high quality, primitive recreation experience. Examples of facilities that have been built and maintained with fees include: boat ramps, bathrooms, mosquito huts, signs, picnic tables, fire rings, and interpretive displays. Fees are also used to fund seasonal river rangers, transportation costs, a recreation planner, and river patrol equipment. Contracts with private companies for services such as: garbage collection, toilet pumping and water hauling are also funded with fees.

An example of a project that will be completed in 2014 is the improvement of the Swasey’s boat ramp where we end our trips. This particular improvement is important because it currently presents a hazard to feet, ankles and equipment. The river program largely supports itself from fee money generated through permits and commercial use fees.

In Westwater Canyon, the special area fee was recently increased from \$7.00 per person to \$10.00. If you read the business plan for Westwater, you will see that “full cost recovery” would have resulted in a \$15.00 per person fee. We are thankful that the Moab Resource Area chose to show restraint in their fee increase, but as appropriated money becomes increasingly scarce, the inevitable increase in fees will begin to have a real impact on the ability of the general public to enjoy the resource.

The fees I’ve described probably seem fairly reasonable; however, fees currently represent nearly 10% of the cost of our trips. For commercial trips, we already experience price sensitivity, so merely increasing the price would most certainly cause us to lose business. Add to that the fact that outfitting and guiding companies are small, family run businesses with very slim profit margins and it becomes clear that businesses cannot merely absorb these costs.

A recent survey of our industry conducted over the last two seasons indicates that the average profit margin for an outfitting business is around 6.5%. Even little changes that increase our costs are significant.

It is my hope that changes to provisions I have mentioned here can be made before formal introduction of this legislation.