



April 25, 2017

TO: Members, Subcommittee on Digital Commerce and Consumer Protection

FROM: Committee Majority Staff

RE: Hearing entitled “Outdoor Recreation: Vast Impact of the Great Outdoors.”

I. INTRODUCTION

The Subcommittee on Digital Commerce and Consumer Protection will hold a hearing on Thursday, April 27, 2017, at 10:00 a.m. in 2123 Rayburn House Office Building. The hearing is entitled “Outdoor Recreation: Vast Impact of the Great Outdoors.”

II. WITNESSES

- Amy Roberts, Executive Director, Outdoor Industry Association
- Marc Berejka, Director of Government and Community Affairs, REI
- James Landers, Vice President of Government Affairs, Recreation Vehicle Industry Association
- Jeremy Jones, Founder and President, Protect Our Winters
- Ginger Mihalik, Executive Director, Baltimore Chesapeake Bay Outward Bound School, Outward Bound
- Jeffrey Tooze, Vice President, Global Customs & Trade, Columbia Sportswear

III. BACKGROUND

A. Overview

The outdoor recreation industry, one of our nation’s largest economic sectors,¹ is made up of diverse businesses and activities that span many of America’s traditional economic sectors. Such businesses include everything from manufacturing to retail and transportation to accommodation. Further, the activities which make up the outdoor recreation economy include camping, fishing, hunting, motorcycling, off-roading, snow sports, trail sports, water sports, wheel sports, and wildlife viewing.² At the core of this multifaceted industry is the American consumer. Whether it

¹ https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf

² *Id.* at 4.

be by spending on retail products or participating in outdoor activity, this industry thrives when Americans are actively engaged. To that end, recent figures demonstrate that approximately 144 million Americans participate in an outdoor activity at least once annually.³ Clearly, outdoor recreation is important to Americans and indicators demonstrate it is also vital to the U.S. economy.

B. Economic Impact: Consumer Spending and Job Creation

Approximately one-half of Americans make outdoor recreation a priority,⁴ providing substantial economic benefits. Specifically, Americans spend \$887 billion in outdoor recreation annually.⁵ This spending generally occurs in two forms: (1) the purchase of gear and vehicles and (2) money spent on trips and travel.⁶ Gear purchases include anything outdoor recreation-related, such as clothing and footwear, as well as bicycles, skis, tents, and the like.⁷ Vehicle purchases include recreational vehicles, boats, all-terrain vehicles, and other vehicles used for outdoor recreation activity.⁸ Americans spend \$184.5 billion annually on gear, apparel, footwear, equipment, services, and vehicles.⁹ Notably, this level of consumer spending translated to the RV industry's best year in decades in 2016.¹⁰ The RV industry, a microcosm of outdoor recreation as a whole, contributed approximately \$50 billion to the outdoor recreation economy.¹¹

In addition to product and vehicle purchases, Americans support this industry through participation in outdoor activities. Such participation generally takes the form of trips and travel, as well as purchasing everything activity-related from lift tickets to entry fees.¹² Americans spend \$702.3 billion annually in this sector on airfare, fuel, lodging, lift tickets, guides, lessons, and more.¹³ Consumer spending on outdoor recreation at this rate has a significant impact on the overall U.S. economy and, as a result, the livelihoods of millions of Americans. Specifically, 7.6 million Americans depend on outdoor recreation for employment.¹⁴ From park managers to small business owners and tour guides to outfitters, outdoor recreation offers a variety of career opportunities.¹⁵

Further, outdoor recreation's reach goes beyond just jobs and consumer spending within the parameters of the outdoor recreation sector. Outdoor recreation is an important economic asset for development in other sectors too.¹⁶ Outdoor recreation helps other economies by generating

³ https://outdoorindustry.org/wp-content/uploads/2017/04/2017-Topline-Report_FINAL.pdf

⁴ *Id.* at 1.

⁵ https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf

⁶ https://outdoorindustry.org/pdf/OIA_OutdoorRecEconomyReport2012.pdf

⁷ *Id.* at 5.

⁸ *Id.*

⁹ https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf

¹⁰ <http://www.rvia.org/?ESID=indicators>; *see also* <http://www.rvia.org/rvia.cfm?ESID=histglance>

¹¹ <http://www.rvia.org/?esid=rvmoveamerica>

¹² https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf

¹³ *Id.* at 5.

¹⁴ *Id.* at 6.

¹⁵ *Id.*

¹⁶ *Id.* at 8.

billions in tax revenue. Specifically, outdoor recreation generates \$124.5 billion in federal (\$65.3 billion), state, and local tax revenue (\$59.2 billion) annually.¹⁷ Accordingly, through job creation, consumer spending and the generation of tax revenue, the outdoor recreation industry supports millions of Americans and contributes billions to the overall U.S. economy.

C. Social Impact: Participation and Health Benefits

Every year, millions of Americans across the country go outside and take advantage of the many pursuits outdoor recreation has to offer. Whether it is hiking, trail running, camping, or fishing, participants in outdoor recreation enjoy the many health and social benefits outdoor recreation provides. Increasingly, more and more Americans are getting engaged in outdoor recreation. Although both the young and old participate in outdoor recreation, recent figures demonstrate that younger adults are becoming more involved. Specifically, since 2014, ages 18-24 and 25-44 have all seen increases in participation levels, with young adults (ages 18-24) experiencing the biggest boost: five-percentage points.¹⁸ This boost was attributed to a desire to live healthier, with 67 percent of young adults citing exercise as the biggest motivating factor.¹⁹ Exercise and health benefits prove to be important motivating factors for outdoor participants of all ages. In fact, the majority of Americans participate in outdoor activities to get exercise (68 percent) and stay physically fit (53 percent).²⁰

Additionally, because outdoor recreation offers such vast health benefits, it is being utilized to help returning service members and veterans readjust to life at home. Specifically, Outward Bound for Veterans (OBV) offers wilderness expeditions that are “physically, mentally and emotionally challenging” designed to “build the self-confidence, pride, trust and communication skills necessary” for service members and recent veterans to reintegrate into their communities.²¹ These expeditions purposefully support wartime experiences, such as carrying heavy packs, sore shoulders, rubbery legs, sleeping out, strange noises, sweat, dirt, frustration and anger, to achieve positive emotional and mental outcomes.²² Further, outdoor expeditions act as metaphors for daily life experiences “in the pursuit of individual and group excellence, illuminating how the support and collaboration needed to meet Outward Bound goals can positively impact participants’ interactions with others at home.”²³ OBV’s success highlights not only how important outdoor recreation is, but also the far-reaching impact outdoor recreation has on the millions of Americans who participate in this industry.

¹⁷ *Id.* at 2.

¹⁸ https://outdoorindustry.org/wp-content/uploads/2016/09/2016-Outdoor-Recreation-Participation-Report_FINAL.pdf

¹⁹ *Id.* at 20.

²⁰ *Id.* at 15.

²¹ *Id.*

²² *Id.*

²³ *Id.*

D. Public Lands and Infrastructure

National parks, state parks, and other public lands play a crucial role in outdoor recreation, making up the basic infrastructure of the industry. Nearly 331 million people visit national parks each year and over 760 million visitors enjoy state parks.²⁴ These public areas provide important benefits to nearby communities and account for significant economic output nationwide. National parks and other public lands generate approximately \$45 billion in total economic output and support roughly 396,000 jobs.²⁵ Infrastructure preservation and updates will play an important role not only to ensure the growth and success of the outdoor recreation industry moving forward, but also in creating healthy and sustainable communities.

Studies suggest that investments in outdoor recreation infrastructure have the potential to reduce crime,²⁶ improve education,²⁷ and improve health.²⁸ Because infrastructure, among other issues, is important to this industry, 16 members representing different aspects of outdoor recreation, have developed the Outdoor Recreation Industry Roundtable (ORIR) to speak in one unified voice on this topic.²⁹ To address some of these issues, ORIR seeks to establish public-private partnerships “as an entrepreneurial mechanism” for addressing issues with a focus on accessibility and undeveloped areas.³⁰ Access is important to those who want to participate in outdoor recreation. ORIR aims to incorporate technology to address the issue of access and, more broadly, maximize the benefits of outdoor recreation. The use of technology will allow the industry to provide Americans with current and accurate information as to where to go to experience outdoor recreation and enhance accessibility to those locations.³¹

E. The Outdoor REC Act

In recognition of the outdoor industry’s growing influence within the U.S. economy, last year Congress passed the bipartisan Outdoor Recreation Jobs and Economic Impact Act of 2016 (Outdoor REC Act).³² The Outdoor REC Act will ensure that the outdoor recreation economy is counted as part of the U.S. Gross Domestic Product. Specifically, the Outdoor REC Act directs the Secretary of Commerce to enter into a joint memorandum with the Secretary of Agriculture and Secretary of the Interior to “conduct . . . an assessment and analysis of the outdoor recreation economy of the United States and the effects attributable to such economy on the overall economy of the United States.”³³ The Outdoor REC Act recognizes the importance of outdoor recreation and will provide more information on the contributions made by this industry to the overall U.S.

²⁴https://outdoorindustry.org/wp-content/uploads/2017/04/OIA_RecEconomy_FINAL_Single.pdf

²⁵ *Id.* at 14; *see also* Economic Report for Fiscal Year 2015. U.S. Department of the Interior.

²⁶ Kondo, Michelle et al. “Effects of Greening and Community Reuse of Vacant Lots on Crime.” *Urban Studies*, 2016

²⁷ Weinstein, Netta et al. “Seeing Community for the Trees: The Links Among Contact with Natural Environments, Community Cohesion, and Crime” *BioScience*, 2015.

²⁸ *Green Cities: Good Health*. University of Washington.

²⁹ <http://www.funoutdoors.com/files/ORIR.pdf>

³⁰ *Id.*

³¹ *Id.*

³² <https://www.congress.gov/114/plaws/publ249/PLAW-114publ249.pdf>

³³ *Id.*

economy, which will allow policymakers and stakeholders to make informed decisions regarding the industry moving forward.

IV. ISSUES

The following issues will be examined at the hearing:

- Economic output of outdoor recreation and the industry's impact on the U.S. economy.
- Infrastructure needs and the integration of technology to optimize the outdoor recreation experience.
- Social impacts outdoor recreation has on the millions of Americans who participate in this industry.
- Federal and state investment into outdoor recreation.
- Any obstacles that may hinder the industry's continued growth and success.

V. STAFF CONTACTS

If you have any questions regarding this hearing, please contact Paul Nagle or Bijan Koohmaraie of the Committee Staff at (202) 225-2927.